



MEMORANDUM OF UNDERSTANDING

BETWEEN

THE CITY OF COMMERCE AND

THE CITY OF COMMERCE EMPLOYEES ASSOCIATION / AFSCME Local
773, AFSCME Council 36

**MID-MANAGEMENT AND NON-MANAGEMENT
FULL-TIME EMPLOYEES**

2023- 2026

MEMORANDUM OF UNDERSTANDING
MID-MANAGEMENT AND NON-MANAGEMENT
FULL-TIME EMPLOYEES
FISCAL YEARS July 1, 2023 – June 30, 2026

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MEMORANDUM OF UNDERSTANDING
MID-MANAGEMENT AND NON-MANAGEMENT
FULL-TIME EMPLOYEES
FISCAL YEAR July 1, 2023 – June 30, 2026

PREAMBLE

This Memorandum of Understanding is entered into with reference to the following facts:

- A. Representatives of Management for the City of Commerce (hereafter “City”) and representatives of the City of Commerce Employees Association, AFSCME Local 773 (hereafter “Association”) have met on a number of occasions and have conferred in good faith, exchanging proposals concerning wages, hours, fringe benefits and other terms and conditions of employment of employee-members represented by the Association.
- B. The management representatives and the representatives of the Association have reached an understanding as to certain recommendations to be made to the City Council for the City of Commerce and have agreed that the parties hereto will jointly urge said Council to adopt one or more resolutions which will provide for the changes in wages, hours, fringe benefits and other terms and conditions of employment contained in these joint recommendations.

NOW THEREFORE, the City and Association representatives agree as follows:

The parties hereto shall jointly recommend to the City Council of the City of Commerce that one or more salary resolutions be adopted effectuating the following changes in salaries, fringe benefits and other terms of employment for the classifications represented by the Association.

ARTICLE 1 UNION SECURITY

Section 1. Recognition.

- A. In accordance with the Meyers-Milias-Brown Act [Government Code Section 3500, et seq.] and the Employer-Employee Resolution, the City of Commerce recognizes the City of Commerce Employees Association AFSCME Local 773, AFSCME Council 36, as the exclusive representatives of all employees in the Full-Time non-management employees unit and the mid-management employees unit.

The parties agree that the following positions shall be removed from the bargaining units represented by CCEA:

Employee and Labor Relations Manager
Human Resources Analyst
Senior Human Resources Analyst
Administrative Assistant in Human Resources
Office Specialist III in Human Resources
Payroll Specialist (Payroll)

- B. "Confidential employees," as defined in City Council Resolution Number 97- 40 and identified below, shall be excluded from holding union office or acting in any official capacity related to the representation of the Full-Time non-management and mid-management employees.

Executive Assistant to the City Manager
Office Specialist in Administration
Senior Management Analyst in Administration
Public Information Officer
Administrative Assistant

- C. The Association recognizes the City Manager as the exclusive representative for the City for purposes of entering into this Memorandum of Understanding, subject to the City Council's prior adoption of the Memorandum of Understanding.
- D. It is agreed that any modifications to represented or unrepresented units proposed by the City or the CCEA will be made in accordance with the

approved resolution 97-40 Employer-Employee Organization Relations Resolution (EERR).

ARTICLE II CITY RIGHTS

Section 1. Exclusive Rights and Authority.

In order to ensure that the City is able to carry out its functions and responsibilities imposed by law, the City has and will retain the exclusive right to manage and direct the performance of City services and the work force performing such services, subject to certain limitations contained elsewhere in this Memorandum of Understanding. Therefore, the following matters shall not be subject to the meet and confer process, but shall be within the exclusive authority of the City. The consideration of the merits, necessity, or organization of any service activity conducted by the City shall include, but not be limited to the City's right to:

- a. Determine issues of public policy;
- b. Determine the mission of its constituents, departments, commissions and boards;
- c. Determine and change the facilities, methods, technology, means, and organized structure pursuant to which the City operations are to be conducted;
- d. Set standards and levels of service, and to expand or diminish services;
- e. Determine and change the number of locations, relocations, and types of operations, and the processes and materials to be employed in carrying out all City functions, including but not limited to the right to contract for or subcontract for any reason any work or operations of the City, subject to "Article XII, Section 2" of this Memorandum of Understanding. Such contracting or subcontracting may result in a reassignment of duties within the City, but shall not result in the layoff or reduction in salary of any employee covered by this Memorandum of Understanding.

- f. Determine size and composition of the work force, and allocate and assign work to employees in accordance with requirements as determined by the City;
- g. In conjunction with the Joint Labor Management Committee, determine the content and intent of job classifications, to develop new job classifications, and determine appropriate levels of compensation;
- h. Lay-off employees for lack of work or other appropriate reasons;
- i. Appoint, transfer and promote employees;
- j. Discharge, suspend, demote, reprimand, withhold salary increases and benefits, or otherwise discipline employees in accordance with applicable policies and laws;
- k. Determine policies, procedures and standards for selection, training and promotion of employees;
- l. Assign work to and schedule employees in accordance with requirements as determined by the City, and to establish and change work schedules and assignments upon reasonable notice as indicated in Article XII of this MOU;
- m. Direct its employees;
- n. Establish and enforce employee dress and grooming standards, and to determine the style and/or types of City-issued wearing apparel, equipment or technology to be used;
- o. Determine the methods, means, numbers and kinds of personnel by which government operations are to be conducted;
- p. Establish employee performance standards, including but not limited to quality and quantity criteria, and to require compliance therewith;
- q. Maintain the efficiency of governmental operations;
- r. Exercise control and discretion over the organization and the technology of performing City work and services;

- s. Determine any and all necessary actions to carry out its missions in emergencies.

The Association recognizes that the City has and will continue to retain, whether exercised or not, the unilateral and exclusive right to operate, administer and manage its municipal services and work force performing those services in all respects, subject to this Memorandum of Understanding. The City shall not exercise the foregoing rights in an arbitrary or capricious manner or manner that is contrary to law.

Section 2. Grievance on Impacts.

The exclusive decision-making authority of the City Council on matters involving City rights and authority shall not be in any way, directly or indirectly, subject to the grievance procedure set forth in this Memorandum of Understanding. The employee may only grieve the impact of the exercise of exclusive City rights and authority that directly relate to matters within the scope of representation.

ARTICLE III COMPENSATION

Section 1. Class A/B License.

For employees whose position requires possession of a valid Class “A” or “B” driver’s license:

1. The City shall provide access to the City’s medical facility and pay for the required physical examinations necessary to secure appropriate licenses.
2. As to Class B medical exams, the City shall pay for the basic required exam and any follow up exam(s) required by the City’s medical provider. Medical exams and/or procedures that are required from the employee’s own personal physician(s) to pass the City’s exam will be at the employee’s own cost
 - a. Employees shall be compensated for their actual time spent at the City’s medical facility for examinations required for renewal when scheduled by their department. The Department will schedule the

medical exam sixty (60) days prior to the expiration of the employee's license.

- b. City Departments will continue to schedule exams, but it will be the employee's responsibility to notify the Department if they have not been scheduled 60 days prior to expiration and maintain their commercial drivers license ("CDL") including attending the required medical examination prior to the expiration of their CDL.
 - c. An employee will not be disciplined for failure to notify the Department that they did not receive the 60-day notice, so long as the required medical examination and required paperwork is submitted to the California Department of Motor Vehicles before the expiration of their CDL
3. The City shall reimburse all employees up to \$39.00 for the cost to obtain and/or renew their Class A or B License.
 4. The City will provide a \$50 monthly stipend for up to two (2) employees, in the month they are required to move the Showmobile. If there are not two employees who are willing to perform this duty, the City shall contract for this service.

Section 2. Median Pay.

A 5% premium pay shall be given to Park Maintenance employees when assigned to perform median maintenance work based on actual hours worked. A 5.0% premium pay shall be given to Park Maintenance employees when assigned to median maintenance assignments.

Employees regularly assigned to the Graffiti crew shall receive 1.5 percent increase to their base rate of pay. Employees assigned to this work on an episodic basis shall be paid 5.0% premium pay for all actual hours worked on medians, overpasses and bridges.

Section 3. Merit Increase.

Upon initial appointment to any position in a job class, Full-Time employees shall be placed at the minimum or first step of a salary range for that job class. A department director may, as authorized by the City Manager, appoint at a higher

step in the salary range when in accordance with the Personnel Policies and Procedures, Salary Plan.

Merit Increase:

Full-Time employees shall be advanced within their respective compensation ranges in accordance with the following schedule and pursuant to the City of Commerce Personnel Policies and Procedures and any exceptions therein:

- Step 2 - At the completion of six (6) months of satisfactory service in Step 1.
- Step 3 - At the completion of one (1) year of satisfactory service in Step 2.
- Step 4 - At the completion of one (1) year of satisfactory service in Step 3.
- Step 5 - At the completion of one (1) year of satisfactory service in Step 4.

Special Merit Increases:

When an employee demonstrates exceptional ability and proficiency beyond the call of duty, such employee may, upon recommendation of the Department Director, concurrence of the Director of Human Resources, and approval of the City Manager, be awarded one step higher within the salary range for his/her job class upon completion of one (1) year length of service in the position.

Please refer to the City of Commerce Personnel Policies and Procedures, Salary Plan Administration for further guidelines and policy.

[Section 4. Overtime.](#)

Employees will be paid overtime at time and a half for all productive time worked over forty (40) hours in a single workweek. Holidays (including flex holidays and birthdays) not actually worked will count as time worked for the purpose of computing overtime. All other paid leave does not count as time worked for the purpose of computing overtime.

Except for Camp Commerce employees, double time is paid for hours worked over twelve productive hours (including paid breaks) in a single day or for hours worked on the seventh consecutive day of work in the seven-day workweek.

The City shall assign overtime work as equitably as possible among all qualified employees in the same classification in the same department. Such overtime work shall to the extent possible be assigned on the basis of volunteers. In the assignment of overtime under this provision, however, management may consider special skills required to perform particular work.

Notwithstanding the above, assignment of overtime in the Facility Maintenance, Park Maintenance and Transportation shall be offered in the following order:

The Departments will create a seniority list of employees within classifications and a seniority list that delineates particular locations or assignments. Overtime will first be offered to the individual who bid on and was awarded the assignment.

If there is more than one employee who has been awarded the assignment, the employee with the most seniority in the classification shall be offered overtime in the order of seniority.

If an employee rejects or accepts an offer of overtime, he/she shall be moved to the bottom of the list for the next opportunity for overtime.

If no employee accepts the assignment of overtime, the City shall have the authority to mandate the overtime assignment to the least senior employee.

The implementation of overtime assignments by seniority in the Transportation Department shall be resolved in the JLM prior to implementation to account for all applicable mandates and guidelines.

Section 5. Wage Increases.

On August 17, 2021, the City Council approved the Citywide Classification Plan and Job Specifications and decided to implement these updated job specifications and classification changes based on final approval of the Citywide compensation study.

On December 13, 2022, the City Council approved and filed the final results of the Citywide compensation and benefits study of all Full-Time and Part-Time classifications.

It is agreed that, effective July 10, 2023, the City will implement the attached salary schedules based on recommendations from the compensation study for Full-Time and Part-Time employees and will revise the City's Full-Time salary schedule factoring in the seventy-fifth (75th) percentile and job family alignment, which will also incorporate updated pay rates for hourly employees.

Per the terms of the MOU, the Full-Time salary schedules, which includes the general wage increase of 4% effective July 10, 2023, the 75th percentile and job family alignment are available on the City's website.

The salary schedules are attached to this MOU, which includes the general wage increase of 4% effective July 10, 2023, the 75th percentile and job family alignment.

It is agreed that the City will provide a one-time ad hoc lump sum off-salary-schedule non-PERSable payment of 8% of the employee's straight time earnings that the employee worked and earned (excluding overtime) during the period starting on July 1, 2022 and ending on June 30, 2023. This one-time payment will be paid no later than the July 27, 2023 payroll date.

For the purposes of payment of the one-time ad-hoc lump sum payment, base pay excludes any additional compensation over and above an affected employee's normal base pay, such as, but not limited to, overtime, night differential pay, higher classification pay, skill pay, premium pay, call back pay. The one-time payment shall be an off-salary schedule payment as a separate check from regular payroll; payment shall not be reflected on the City's pay or salary schedules; and payment shall not be the basis upon which future salary increases will be calculated.

In addition to the off-salary-schedule payment, there will also be increases to the salary schedule for the same individuals as follows:

Effective July 10, 2023, all employees represented by the Association shall receive a general wage increase of four percent (4%).

Effective July 8, 2024, all employees represented by the Association shall receive a general wage increase of four percent (4%).

Effective July 7, 2025, all employees represented by the Association shall receive a general wage increase of four percent (4%).

Section 6. Premium Pay.

City Policy II-3, Salary Plan Administration, shall be amended to limit Premium Pay to 12 months. In addition, the City shall notify the Association within 5 business days from the effective date of the premium pay. This notice shall include (1) duties that the employee will perform in this higher classification (2) whether the premium pay is 5% or 10%.

Section 7. Urban Search and Rescue (USAR) Stipend.

The monthly USAR stipend will be \$75 per member.

Section 8. Notary Services Pay.

The City will provide a \$50 monthly bonus to employees assigned to provide notary services to members of the public (residents or employees) or other work-related purpose.

ARTICLE IV UNIFORM ALLOWANCE

Section 1. Uniforms.

Should the City require employees to wear a specific uniform, it shall be financially responsible to cover the cost of such uniforms. Uniform replacement shall be governed by specific departmental policies and practices.

Section 2. Safety Footwear.

Effective July 1, 2023, the allowance amount will increase to \$215 per fiscal year for employees in eligible classifications in accordance with safety regulations and City policy. The City of Commerce Personnel Policies and Procedures, Work Uniforms for Employees will be modified to allow the safety shoes to be purchased from any source so long as the shoes are in compliance with OSHA requirements for each job classifications. Please refer to City of Commerce Personnel Policies, Procedures, Work Uniforms for Employees, for specific terms and policy.

Section 3 Mechanic Tool Allowance.

Effective the first full pay period after January 1, 2024, the City shall provide bargaining unit employees in the designated classifications below with an allowance in the amount of seven-hundred dollars (\$700) per calendar year, which shall be in the form of a reimbursement in two payments of no more than three-hundred and fifty dollars (\$350) each, at least six months apart, for tools purchased within the same calendar year, provided that the eligible employee submits proof of purchase for the tools to the City.

- Fleet Maintenance Manager
- Lead Fleet Mechanic
- Fleet Mechanic

ARTICLE V BENEFITS

The City's current Personnel Policies and Procedures shall govern the extent to which insurance benefits are given and maintained. The City agrees to meet and confer with the Association prior to any final decision by the City to reduce any current benefits during the term of this Memorandum of Understanding. The City agrees that the benefits provided under the MOU supersede any contrary Personnel Policies and Procedures and that there shall be no change in the benefits specified in Article V during the term of this Agreement.

As a product of the meet-and-confer process, the City and the Association have agreed to the following City benefit programs:

Section 1. Employee Medical Health Plan Benefits.

During the term of this MOU, the City's contribution to the Cafeteria Plan (Premium Only Plan) shall be the premium rates for "Region 2/Other Southern California" as published by CALPERS for the designated health insurance plans. In no event shall the City's contribution under the City's Cafeteria plan exceed the rates for the applicable eligible benefit categories (i.e. single, two party, family) established in the "Region 2/Other Southern California" Blue Shield Access+ health rates which shall include the PEMCHA minimum contribution.

This section does not change the provisions of City Policy III-I, Health and Hospitalization Insurance Plan. To the extent that any changes are to be made to the Employee Medical Health Plan Benefits, the parties shall be required to comply with the requirements of the Meyers-Milias Brown Act (Government Code Section 3500 et.seq.) and any other applicable state or federal law.

Section 2. Dental Plan.

The City shall maintain current dental insurance coverage and pay any increase that may occur during the term of this agreement. (See Appendix A for summary of benefits)

Section 3. Vision Plan.

The City's vision plan shall remain at the current benefit levels. (See Appendix B)

Section 4. Deferred Compensation.

1. The City shall contribute \$25.00 per pay period to employee deferred compensation plan whether or not employee contributes to the plan.
2. The City shall match employee deferred compensation contributions, in an amount not to exceed 3% of the employee gross salary contribution per pay period. For example, if an employee contributes 1% of gross salary to the plan, the City shall contribute an amount equal to 1% of gross salary. If the employee contributes more than 3% of the employee's gross salary per pay period, the City shall pay an additional contribution equal to 5% of that part of the employee's contribution that exceeds 3% of the employee's gross salary per pay period.
3. Effective Date – These deferred compensation provisions shall be effective commencing with the first payroll period of July 2008.
4. Compliance with State and Federal Regulations – The parties agree and acknowledge that a variety of State and Federal statutes and regulations govern participation in deferred compensation plans. If any of these Memorandum of Understanding provisions conflict with any State or Federal statutes or regulations, the State and Federal statutes and regulations shall take precedence and shall be complied with. The Association and the Full-Time employees waive any claims they may have against the City in the event of such a conflict.
5. Exclusions – The 3% City contribution described above shall apply only to employee gross salary deferred compensation contributions made during each payroll period. The 3% City contribution shall not be provided for any employee deferred compensation contributions that are made as a result of a “buy back” as that term is defined by Internal Revenue Service Code or regulations. Additionally, the 3% City contribution shall not be applied to any employee deferred compensation contributions that are made as a result of converting any type of leave balance to deferred compensation.

Section 5. City Retirement Gift.

An employee must have five years of Full-Time service in order to qualify for a City retirement gift. The City retirement gifts are as follows:

5 years, but less than 10 years	\$500.00
10 years, but less than 14 years	\$750.00
14 years, but less than 16 years	\$800.00

16 years, but less than 17 years	\$850.00
17 years, but less than 18 years	\$900.00
18 years, but less than 20 years	\$950.00
20 years or more	\$1,000.00

Section 6. Longevity Stipend for Employees hired before July 1, 2011 retiring on or before December 31, 2011.

The City shall make a longevity stipend available to an employee who was hired before July 1, 2011 and who retires from the City of Commerce on or before December 31, 2011. The longevity stipend shall be deposited on a monthly basis into the retiree's Retiree Healthcare Reimbursement Plan (Retiree HRA Plan).

The City's monthly longevity stipend to the Retiree HRA Plan shall be the difference between the premium cost of coverage for the retiree and/or eligible dependents (when applicable) minus the PEMHCA minimum contribution. The longevity stipend shall be based on the cost of coverage for retiree and/or eligible dependents under the medical plans sponsored by CalPERS including dental and vision plans offered by the City. The stipend shall be based on the tier of coverage (i.e. single, two-party or family) and actual plan cost.

The parties agree that the longevity stipend for employees hired before July 1, 2011 and who retired on or before December 31, 2011 has matured and that the City shall not change the stipend in the future.

Section 7. Longevity Stipend for Employees hired before July 1, 2011.

The City shall make a longevity stipend available to an employee who was hired before July 1, 2011 and who retires from the City of Commerce as described in this Section. The City shall make a longevity stipend payment on a monthly basis to the retiree's Retiree Healthcare Reimbursement Plan (Retiree HRA Plan).

During the term of this Agreement, the City's total longevity stipend payment shall not exceed the premium rate for the "Region 2/Other Southern California" Blue Shield Access+ health rates which shall include the PEMHCA minimum contribution for each eligible category (i.e. single, two-party, or family) of the Blue Shield Access+ Plan and dental and vision offered by the City.

This Section does not change other provisions of City Policy V-9, Health and Hospitalization Insurance Plan during the term of this Agreement. To the extent that any changes are to be made to the Longevity Stipend, the parties shall be required to comply with the requirements of the Meyers-Milias- Brown Act (Government. Code Section 3500 et.seq.) and any other applicable state or federal law.

The City agrees that during the term of this agreement, it shall not eliminate or reduce the longevity stipend for employees covered under this Section 7. The parties agree that this stipend is subject to bargaining in successor MOU negotiations.

The intent of the City is to evaluate at each MOU term changes to the longevity stipend in the future successor MOUs, subject to the City's finances, obligations and operational needs.

Section 8. Longevity Stipend for Employees hired on/after July 1, 2011.

Employees hired by the City on or after July 1, 2011 and who meet the eligibility requirements for retiree health insurance are eligible to continue in the City's group health insurance program. The City's maximum contribution towards retiree coverage under this subsection, shall be the PEMHCA minimum contribution as determined by CalPERS on an annual basis. Employees who meet the criteria described below shall be eligible to receive a longevity stipend upon retirement from the City's employment. The longevity stipend payment shall be deposited on a monthly basis into the retiree's Healthcare Reimbursement Plan (Retiree HRA Plan). During the term of this agreement, the longevity stipend shall not exceed the amounts described below, which shall include the PEMHCA minimum contribution and shall be based on the cost of coverage for retiree plus spouse coverage under the medical plans sponsored by PEMHCA. The stipend shall be based on the tier of coverage (i.e. single, two-party, or family) and actual plan cost.

During the term of this agreement, the maximum City total longevity stipend payment (for the 15 years and above of full-time City Service) shall not exceed the premium rate for the "Region 2/Other Southern California" Blue Shield Access+ health rates which shall include the PEMCHA minimum contribution for each eligible category (i.e. single, two-party, or family) of the Blue Shield Access + Plan and dental and vision offered by the City.

> 5 years of full-time City Service	50% + additional 5.0% for each additional year of City service above 5 years (e.g., 10 yrs = 75%)
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15 years and above of full-time City Service 100%

Full-Time employees who were previously part-time employees and who have worked 1000 hours or more in a fiscal year (during their part-time service) shall receive one-half year of employment credit for each fiscal year in which they work 1000 hours or more.

This Section does not change other the provisions of City Policy V-9, Health and Hospitalization Insurance Plan during the term of this agreement. To the extent that any changes are to be made to the Longevity Stipend for Future Employees, the parties shall be required to comply with the requirements of the Meyers-Milias Brown Act (Government. Code Section 3500 et.seq.) and any other applicable state or federal law.

The City agrees that during the term of this agreement, it shall not eliminate or reduce the longevity stipend for employees covered under this Section 8. The parties agree that this stipend is subject to bargaining in successor MOU negotiations.

The intent of the City is to evaluate at each MOU term changes to the longevity stipend in the future successor MOUs, subject to the City's finances, obligations and operational needs.

The parties agree that during the term of this Agreement, the City shall retain the services of an actuarial to study the cost of "vesting" the longevity stipends under Sections 7 and 8. The parties further agree that the cost of the actuarial shall be

shared equally between the parties, up to a maximum of \$5,000 for CCEA. The parties agree to re-open bargaining on this topic at the request of CCEA.

The parties agree that the terms of Article V, Sections 6, 7, and 8 are entered into without a waiver of the parties' respective legal positions as to whether these are vested benefits or not.

Section 9. Medicare Reimbursement.

The City will reimburse retirees the Standard Medicare Premium Part B (medical insurance) for retiree and his/her spouse or domestic partner. The City shall continue reimbursement of these premiums to the spouse or domestic partner of the retiree after the death of the retiree.

Section 10. Retirement.

A. EMPLOYEES HIRED BEFORE JANUARY 1, 2013 OR EMPLOYEES HIRED AFTER JANUARY 1, 2013 AND CONSIDERED TO BE A "CLASSIC" EMPLOYEE

The City contracts with the State of California Public Employees Retirement System (CalPERS) for the classifications covered by this Agreement. The plan shall include the following options:

1. Miscellaneous Employees - 2% @ 55 retirement formula (Government Code §21354);
2. Single highest year final compensation (Government Code §20042);
3. Post Retirement Survivor Allowance (Government Code §21624/21626);
4. Credit for Unused Sick Leave (Government Code §20965);
5. Pre-Retirement Option 2W Death Benefit (Government Code §21548);
6. Post-Retirement Survivor Allowance to Continue After Remarriage (Government Code §21635);

7. Pre-Retirement Death Benefits to Continue After Remarriage of Survivor (Government Code §21354);
8. 2% Annual Cost-of-Living Allowance increase (Government Code §21329);
9. \$500 Retired Death benefit (Government Code §21620);
10. Prior Service (Government Code §20055);
11. Supplemental SSA Coordination;
12. Effective July 1, 2015, classic employees shall contribute an additional 2.4% of their compensation earnable (as defined in Government Code Section 20636) toward the classic employee's normal member contribution (as defined in Government Code Section 20677). The total classic employee contribution shall be 7%.

**B. NEW CALPERS MEMBERS HIRED ON OR AFTER JANUARY 1, 2013
("NEW MEMBERS")**

The City contracts with the State of California Public Employees Retirement System (CalPERS) for the classifications contained in this Agreement. The plan shall include the following options:

1. Miscellaneous Employees - 2.0% @ 62 retirement formula (Government Code §7522.20);
2. Three (3) year average final compensation period (Government Code §20037);
3. Effective July 1, 2015, New Members shall contribute at least 50% of the total normal cost rate as defined by CalPERS or the current rate of similarly situated employees, whichever is greater.
4. All of the benefits listed above in Section a) from number 3 to number 11.

C. SOCIAL SECURITY

The City deducts from each employee's paycheck an amount as determined by law for the Federal Insurance Contributions Act (Social Security). In addition, the City contributes an additional amount at least equal to the employee's contribution.

Section 11. Educational Assistance.

The City will maintain and administer an Educational Assistance Program for Full-Time employees as set forth in City Human Resources Policy IV-2. Effective Fiscal Year 23-24 and upon ratification of the MOU, the City shall budget Forty Thousand Dollars (\$40,000.00) per fiscal year for Full-Time employee's education assistance. The policy and procedure on eligibility requirements shall be included in the updated City Human Resources Policy IV-2, and any other applicable policies referencing educational assistance, and will be agreed to through the JLM/Policies Subcommittee.

Section 12. Administrative Time.

It is agreed that Full-Time Employees hired on or after July 9, 2023 will not be eligible to receive paid administrative time and will be required to take unpaid lunch time. Part-Time employees hired prior to July 9, 2023, but appointed to a Full-Time position on or after July 9, 2023 will not be eligible for the City's paid administrative time. All Full-Time employees not eligible for the City paid administrative time are scheduled to work 40 hours per week and are required to take unpaid time off for their meal period.

Full-Time employees hired by the City prior to July 9, 2023 are eligible to receive paid, administrative time, based on the employee's assigned schedule. For example, an employee who became Full-Time status with the City prior to July 9, 2023, and who is scheduled for a "5/40 work schedule" (5 days per week, 40 hours weekly), will continue to receive thirty minutes (.5 hours) of paid, administrative time daily for each day that regular hours are worked, up to a total of two and a half hours (2.5 hours) per week. An employee who became Full-Time with the City prior to July 9, 2023, and is scheduled for a "4/10 work schedule" (4 days per week, 40 hours weekly) will continue to receive forty-five minutes (.75 hours) of paid, administrative time daily for each day that regular hours are worked, up to a

total of 3 hours per week. Should the employee's schedule change, the number of administrative time hours will be adjusted accordingly.

Full-Time employees hired, appointed or reinstated by the City on or after July 9, 2023 are not eligible to receive paid, administrative time. Part-Time employees that are promoted to a Full-Time position on or after July 9, 2023 will not be eligible to receive paid, administrative time. All Full-Time employees not eligible for the City's paid administrative time are scheduled to work forty (40) hours per week, and are required to take unpaid time off for their meal period.

Reference Policy II-4, Hours of Work, and any other applicable policies for more information related to work hours and schedules.

Section 13. Education Incentives.

Effective July 1, 2023, the Education Incentive Stipend will be issued to an eligible unit member within thirty (30) days from the date Human Resources receives the approved documentation from the employee and verifies the employee's eligibility for the stipend. A unit member shall not be entitled to receive the Education Incentive Stipend, or any portion thereof, for any period preceding submission of appropriate documentation to Human Resources, irrespective of the date on which the unit member fulfilled the eligibility requirements for the stipend.

ARTICLE VI LEAVE

Section 1. Bereavement Leave.

Pursuant to the City's Bereavement Leave Policy, when a regular Full-Time employee's "immediate family member" dies or is critically ill and death appears imminent, the employee shall be entitled to up to forty (40) hours of paid leave per occurrence. "Immediate family member" shall be defined as: mother, father, spouse, registered domestic partner, child, step child, brother, sister, grandchild, grandparents, mother-in-law, father-in-law, stepmother, stepfather, sister-in-law, brother-in-law, daughter-in-law, son-in-law, spouse's grandparents and great grandparents, as well as the equivalent relatives of a registered domestic partner.

Bereavement leave can be used in increments of full workdays, or half workdays, and does not need to be take on consecutive workdays. Bereavement leave must be authorized by the Department Director and must be utilized within 15 days of employee learning of the death, or of the date of foreseen imminent death of the immediate family member, unless special circumstances require that the leave begin at a later date. Such requests to the Department Director shall be made within fifteen (15) calendar days of the employee learning of the death or of the date of foreseen imminent death and shall not be unreasonably denied.

Section 2. City's Personnel Policies and Procedures.

All other matters related to holiday and flexible leave which are not addressed in this Memorandum of Understanding, shall be governed by the City's Personnel Policies and Procedures.

Section 3. Flexible Leave.

Employees may accrue up to a maximum of sixty (60) hours of flexible leave time. A maximum of sixty (60) hours may be carried over to the following year.

Section 4. Holidays.

The employees in the classified services shall be provided with the following holidays with pay subject to the provisions of the City's Personnel Policies and Procedures.

New Year's Day	Labor Day
Martin Luther King Day	Veteran's Day
Lincoln's Birthday (2nd Monday in Feb.)*	Thanksgiving Day
Washington's Birthday	Day after Thanksgiving
Memorial Day	Christmas Day
Independence Day	Employee's Birthday

- * Lincoln's Birthday (2nd Monday in February). This holiday will not be observed by the City and will be open for business. Effective on or around December 31, 2023, and for each year during the term of the MOU, the Lincoln's Birthday Holiday for the subsequent calendar year for Full-Time

employees, will be converted to flexible leave hours. If an employee is hired on or after the second Monday of February of each year, the employee will not be granted flexible leave hours in lieu of the Lincoln’s Birthday holiday for that calendar year.

Section 5. Jury Duty.

Full-Time employees shall be granted a paid leave of absence in order to perform jury duty, provided that the employee provides notification to the City for such jury duty and provides proper verification of hours spent on jury duty. Please refer to the City of Commerce Personnel Policies and Procedures, Jury Duty, for specific terms and policy.

Section 6. Sick Leave.

Full-Time employees shall earn eight (8) hours sick leave per month for each full month of continuous service with the City. Please refer to City of Commerce Personnel Policies and Procedures, Sick Leave, for specific terms and policy (revised version attached).

Section 7. Vacation Leave.

1. **Vacation Accrual** - Full-Time employees shall accrue vacation according to the following schedule:

Continuous Years of Services	Vacation Hours Earned
Less than 5 years	8 hrs per month/96 hrs per year
5 – 8 years	10 hrs per month/120 hrs per year
8 yrs 1 mo – 13 years	12 hrs per month/144 hrs per year
13 yrs 1 mo – 20 years	13.33 per hrs month/160 hrs per year
20 yrs 1 mo +	16.67 hrs per month/200 hrs per year

2. **Vacation Accumulation** - The City’s four-hundred eighty hour (480) maximum accumulation policy will be enforced by scheduling vacations to eliminate excess accumulation. Please refer to City of Commerce Personnel Policies and Procedures, Vacation Policy, for specific terms and policy.

Section 8. Holiday Closures.

It is agreed that the City will add Holiday closure language from the 2022-2023 Holiday closure Letter of Agreement (“LOA”) into the MOU, establishing a two-week closure of City Hall and designated City facilities during the Christmas and New Year Holidays. The dates of the dates of the closure period will be determined based on the time of occurrence of the holidays in each calendar year. The current LOA indicates that Full-Time employees working the 4/10 shift schedule will be granted twenty (20) hours of administrative time during the two-week closure, and those Full-Time employees working the 5/40 shift schedule would be granted sixteen (16) hours of administrative time for use during the holiday closure period only. Part-Time employees will be given an opportunity to make up for the hours missed because of the holiday closure. The Holiday Closure Program may be revoked at any time by the City. Holiday schedules for operations will continue to be set by Council action.

Section 9. Employee Recognition Leave.

Effective July 1, 2023, the City will implement an Employee Recognition Leave program to recognize Full-Time unit members who have demonstrably contributed toward department operational or customer service goals and set an example as a public service employee. Each Department Director is allocated a total of twenty-four (24) hours of such leave per fiscal year to grant to employees within their department. The leave may be used at a time mutually agreeable to the employee and the employee’s Director. The leave must be used within one year from the date it was awarded. A unit member must receive at least a “Satisfactory” performance review in the prior rating period in order to be eligible for Employee Recognition Leave.

ARTICLE VII DISCIPLINARY PROCEDURES

Section 1. Procedures.

The disciplinary procedures set forth in the City's Personnel Policies and Procedures shall govern during the term of this Memorandum of Understanding.

Section 2. Polygraph.

The City shall not require employees to submit to polygraph examinations.

ARTICLE VIII GRIEVANCE PROCEDURES

The grievance procedure is used to ensure that employees have the opportunity to address work-related concerns.

The following grievance procedure applies only to Civil Service employees who have successfully completed their probationary period as defined in the City's policies.

- A. Definition of "grievance": A "grievance" shall be defined as a timely complaint by an employee or group of employees concerning personnel practices, working conditions, employee policies or MOU.
- B. Time Limits for Filing Written Formal Grievances: the time limits for filing written formal grievances shall be strictly construed, but may be extended by mutual agreement evidenced in writing and signed by an authorized representative of the City and the grievant. Failure of the grievant to comply with any of the time limits set forth hereunder shall constitute waiver and bar further processing of the grievance.
- C. The grieving party is entitled to have representation of his or her choice at any level of the grievance procedure.

STEPS OF THE GRIEVANCE PROCEDURE

- 1. Informal - Immediate Supervisor
- 2. Formal - Department Head
- 3. Formal - City Manager or Designee
- 4. Formal - Binding Arbitration

1. Informal – Immediate Supervisor: The employee must first attempt to resolve a grievance verbally with his/her immediate supervisor as soon as possible. Every effort shall be made to find an acceptable solution to the grievance informally at this level.

2. Formal – Department Head: If the grievance is not resolved using the informal process, a written grievance shall be filed within twenty (20) business days from the date of the alleged incident giving rise to the grievance, or when the grievant knew or should have reasonably become aware of the acts giving rise to the grievance. The grievant shall discuss the grievance with the department head. The department head shall render a decision and comments, in writing, regarding the merits of the grievance and return them to grievant within twenty (20) business days after receiving the grievance.

In cases involving appeals from disciplinary action, the grievant shall bypass the informal grievance step and file his/her appeal directly at the formal grievance step within twenty (20) business days of the effective date of the disciplinary action or his/her right to appeal shall be waived.

3. Formal – City Manager: If the grievance is not resolved at "Step 2" or if no answer has been received from the department head within twenty (20) business days, the written grievance shall progress to the City Manager for determination.

The grievant shall have twenty (20) business days from the date when the department head's written response is received, or when the response was due, to file a written appeal directly to the City Manager or forfeit his/her right of appeal, in which case, the grievance will be considered final based on the department head's response.

The City Manager shall schedule a hearing with the grievant within twenty (20) business days of the date of receipt of the written appeal by the City Manager and shall render a written decision, based on the merits of the grievance and return it to the grievant within twenty (20) business days from the date of the hearing. The City Manager's decision shall be final and binding on all non-disciplinary matters as well as for all disciplinary matters not exceeding the equivalent of twenty-four (24) hours pay. If the City Manager does not render a decision within twenty (20) business days, or does not request and receive a mutually agreed upon extension of time, the grievance shall be resolved in favor of the grieving party.

4. Formal – Binding Arbitration: In addition to the procedures described above, the Union shall be entitled to appeal disciplinary suspensions in excess of twenty-four (24) hours at one time, demotions, terminations, or reductions in pay exceeding the equivalent of twenty-four (24) hours of pay to an independent hearing officer selected from a list of nine (9) supplied by the State Mediation and Conciliation Service in accordance with their rules and procedures and who are members of the National Academy of Arbitrators. The issues before the hearing officer shall be whether there is just cause for the disciplinary action and if not, what is the appropriate remedy. Should the grievant and Director of Human Resources fail to reach an agreement in the selection of a hearing officer, each shall strike names from the list until a final name is selected as the hearing officer. The foregoing shall not diminish the legal rights of Civil Service employees, nor be in conflict with state law.

The grievance shall be barred and waived unless filed in writing with the Director of Human Resources within twenty (20) business days after the "Step 3" grievance decision is mailed to the grievant.

The costs of arbitration shall be split evenly between the City and the grievant.

The Director of Human Resources shall act as the clerk for this hearing. The determination of the hearing officer shall be final and binding upon all parties.

ARTICLE IX LAYOFF/BUMPING PROCEDURES

This policy ensures the fair and equitable process in the reduction of the City workforce.

- A. The Layoff/Bumping Procedures only apply to non-probationary Full-Time employees and full-time classifications.
- B. In all cases, the position being "bumped/laid off" shall be the position with the lowest seniority in the job classification.
- C. In the event of layoff, layoff shall be made in reverse order of seniority in the class in which the layoff occurs. The employee who has the least time in paid status, excluding overtime, in the class, plus any higher classes, shall be considered to have the least seniority and, therefore, shall be laid off first. In the case where two or more employees have the same time in paid status excluding overtime, the employee with the latest date of employment shall be laid off first. In the event of a tie, the employee with the latest date of application, as evidenced by a date stamp, shall be laid off first. The City shall provide the Association with copies of all seniority lists used for layoffs as soon as possible, but at least ten (10) business days prior to any notice of layoff.
- D. A laid off employee may displace or "bump" an employee in a lesser paid job classification within the same occupational family or a classification in which he/she has previously served. In calculating seniority, time spent in all Full-Time paid classifications shall be counted in determining total seniority for purpose of bumping. Further, employees who "bump" into lower paid classifications shall have their seniority from the higher paid classification transferred with them into the lower classification to count toward total seniority with that classification.
- E. The names of permanent employees thus laid off shall be placed upon the reemployment list for the class from which they were laid off. Names on the reemployment list shall be in the order of seniority and shall be valid for twenty-four (24) months from the date of layoff. Employees who "bump" into a lower classification shall also be included on any re-employment list. The re-employment list for a given classification shall be used by the appointing authority before a position is filled by other means. Laid off

employees will be eligible to apply for promotional recruitments for 24 months from date of layoff, if they meet the minimum qualifications.

- F. If a person is not available to accept an offer of re-employment for any extended period of time (2 weeks or more) and if a vacancy occurs during the period of non-availability, the person's name will remain in position on the re-employment list, however, the offer of re-employment will be made to the next person on the re-employment list.
- G. A person's failure to appear at the prescribed time and place after acceptance of a position will constitute grounds to remove their name from the re-employment list.
- H. If a person on a re-employment list is offered a position with the same salary, or more, as compared to the position from which he/she was laid off, and the person refuses the offer, he/she shall have his/her name removed from the re-employment list.
- I. If a person accepts a position at a lesser salary than the position from that which he/she was laid off, his/her name shall remain in the re-employment list for the balance of the initial twenty-four (24) month period.
- J. A Full-Time employee may "bump" a part-time employee with lesser seniority, in the same or a lesser paid job classification within the same occupational family as the Full-Time employee or in a classification in which the Full-Time employee has previously served. If a Full-Time employee exercises such bumping rights, he or she will thereafter be considered a Part-Time employee and will be subject to the at-will status of part-time personnel. A Full-Time employee who bumps to a Part-Time classification shall retain their place on the full-time re-employment list for the 24 month period from the date of layoff.
- K. Seniority between a Full-Time and Part-Time employee shall be based upon the total hours worked in the classification.

ARTICLE X SENIORITY

The City will consider seniority as the primary factor, where the job performance is equal, when making assignments of work schedules, and vacation.

Within the Transportation Department, employee's schedule bidding will be based on seniority.

Seniority shall be defined as length of service in the position. The updated seniority list shall be distributed 90-days after the end of each fiscal year. The bid period will be established by each Department/Division. The schedules and bid periods will be transmitted to the Association at least three (3) business days prior to the bid periods. Schedules must allow reasonable amount of time to complete assigned workload.

ARTICLE XI Prohibition of Discrimination, Harassment, and Retaliation

Section 1. Policy and Reporting Complaints.

The parties shall treat all employees equally in employment matters without regard to age (40 and above), ancestry, color, disability (including but not limited to physical and mental, including HIV and Aids), genetic information, gender identity, gender expression, marital status, medical condition (including but not limited to genetic characteristics, cancer or a record or history of cancer), military/veteran status, national origin, race, religion, (including religious dress and grooming practices), creed, sex/gender (including but not limited to pregnancy, childbirth, breastfeeding and/or related medical conditions), sexual orientation, or any other basis protected by applicable federal, state, or local law, including association with individuals with these protected characteristics or perception that an individual has one or more of these protected characteristics, and political or union activity.

The City maintains and follows a strict policy prohibiting unlawful discrimination, harassment, and retaliation in any form, including verbal, sexual, physical and visual harassment, coercion, and reprisal.

REPORTING DISCRIMINATION OR HARASSMENT:

The City encourages reporting of all actual or perceived incidents of discrimination, harassment, and/or retaliation. If you believe the conduct or actions of a co-worker, applicant, Councilmember, City Commissioner, official appointed to a City committee, executive, manager, supervisor, employee, volunteer, intern, independent contractor, vendor, visitor or patron to be discriminatory, harassment, retaliatory, or otherwise in violation of this policy, you are encouraged, but not required to inform the person of the conduct that you find offensive and request that the person cease this behavior. If you do not wish to speak with the person directly, or if your attempts to do so have failed, you should file a complaint with the Department of Human Resources. However, a decision not to speak with the person directly does not prevent the employee from filing a complaint, nor does it in any way exonerate the accused person.

City management shall be readily available and receptive to receiving complaints of discrimination, sexual or other harassment. If an employee, volunteer, intern, or independent contractor, feels that he or she is being discriminated against or harassed by another employee, a Councilmember, executive, manager, supervisor, volunteer, intern, independent contractor, vendor, visitor or patron, the individual shall immediately report the facts of the incident or incidents and the name(s) of the individual(s) involved to his or her immediate supervisor. If the matter cannot be discussed with the immediate supervisor or the immediate supervisor is the subject of the complaint, the employee shall contact the Director of Human Resources, who will schedule a meeting to discuss the complaint. If the matter cannot be discussed with the Director of Human Resources, the employee shall contact the City Manager, who will schedule a meeting to discuss the complaint.

To submit a complaint with the City related to the Harassment Free Workplace Policy, the best practice is to provide as much information in writing as possible, including for example what is listed below. If you do not have some of the following information, you may still file a complaint.

- The complaining party's name, department, and position title.
- The name of the person or persons committing the discrimination, harassment (including sexual harassment), and/or retaliation.

- The specific nature of the harassment or discrimination, the period of time of the harassment or discrimination, any employment action, or any other threats made as a result of the harassment or discrimination.
- The name(s) of any witnesses.
- Any documentation or other evidence.
- Whether the complaining party previously reported such discrimination, harassment (including sexual harassment), and/or retaliation, and if so, to whom.

Detailed information outlining the City’s prohibition of Discrimination, Harassment, and Retaliation is outlined in the Harassment Free Workplace Policy set forth in the City’s Personnel Policies and Procedures and all employees are expected to adhere to the Harassment Free Workplace Policy. Employees are expected to maintain an awareness that violations of this policy can lead to disciplinary action, up to and including termination from City employment.

Employees who believe they have been discriminated, harassed, or retaliated against may, within one year of the conduct, also file a complaint of discrimination with the California Department of Fair Employment and Housing ("DFEH") or the federal Equal Employment Opportunity Commission ("EEOC"). DFEH and/or the EEOC may also investigate and process the complaint.

ARTICLE XII OTHER MATTERS WITHIN THE SCOPE OF REPRESENTATION

Section 1. Meet and Confer in Good Faith.

The City shall not be required to meet and confer in good faith on any subject preempted by federal or state law. The City shall meet and confer in good faith with the Association on all matters related to the salaries, fringe benefits and other terms and conditions of employment, as in accordance with the Meyers-Milias-Brown Act. The City shall provide written notification regarding changes to wages, hours and other terms and conditions of employment.

Section 2. Job Security.

The City and the Association share a common interest in maintaining the stability and the security of the City's workforce. As such, the City shall initiate a meet-and-confer process with the Association no less than 90 days prior to any decision to

contract for the work of any employee represented by the Association. The City will discuss with the Association all economic issues related to such contracting during the meet-and-confer process.

In the event that the City subsequently decides to enter into a contract, the City will find alternative City employment for those employees affected at their current salary level or higher so that the employee does not suffer a reduction in salary. The City shall first place an employee in a position where the employee meets the minimum qualifications. If the City determines that such a position cannot be found for the affected employee, the City will meet with the Union to discuss the impact of placing the affected employee in another position where the employee does not meet the minimum qualifications. The Employee will make every effort to meet the minimum qualifications within 12 months of said appointment, with the City's support.

Section 3. Dues and Information.

The intent of this section is to comply with California Senate Bill No. 866 and Assembly Bill 119 and other relevant case law and regulations regarding employee dues deductions and access to employee information.

- A. The City shall base deductions from employees based on a certification from the AFSCME representative that it has proper authorization from employees for dues deduction. The City may request the written authorization as allowed by law.
- B. If the City receives a direct request from an employee to cancel or change the deductions authorized by AFSCME, the City shall refer the employee directly to the CCEA President and shall not process any cancellations or changes until the AFSCME representative provides such instruction in writing.
- C. AFSCME shall indemnify the City for any claims, including any legal costs, made by the employee for deductions made in reliance on that certification.
- D. Dues withheld by the City under this section shall be transmitted by direct deposit to the AFSCME District Council 36 bank account. The effective date of the dues shall be no later than fourteen (14) calendar days after receipt of the union certification.

E. The City shall provide AFSCME District Council 36 and the CCEA President with an excel spreadsheet at the time of the transmittal of the dues that contains the following information:

1. Name of the employee and the amount of dues deductions;
2. The information required by AB 119;
3. A list of employees who are on a leave of absence without pay;
4. A list of employees who have transferred into the unit (by hire or demotion or other means) or transferred out of the unit (indicating disciplinary termination, resignation or promotion).

Section 4. Union Access/Unit Membership List.

City equipment may be used to conduct Association business, provided it is authorized by the City Manager or his or her designee. If the City Manager does not respond to a request for the use of City equipment to conduct Association business within one business day, the Director of Human Resources shall be authorized to respond to the request. City equipment shall include, but not be limited to telephones, photocopiers, all forms of electronic communication, and facilities. The following are examples of situations where the City Manager may reasonably authorize such use: (1) to schedule Association meetings, (2) to transmit meet and confer proposals, (3) to conduct Association meetings noticed pursuant to Association by-laws for the consideration of Memorandum of Understanding approval/ratification votes.

The City will provide the Association with a quarterly list of all represented employees, including name, date of hire, job classification, work location, home address, and phone number.

Section 5. Association Representatives.

The Association may designate Representatives to represent employees in processing grievances and at Skelly hearings. The following conditions shall apply.

The Association may designate Representatives who must be members of the Association and shall provide all departments with a written list of employees who

have been so designated. City management will accept on a quarterly basis any changes to the list. A Representative may represent a grievant in the presentation of a grievance at all levels of the grievance procedure. A Representative may represent an employee in pre-disciplinary hearings (Skelly) or pre-disciplinary interviews where there is a reasonable expectation that disciplinary action will follow.

An employee and his/her Representative may have a reasonable amount of paid time off for the above-listed activities. However, a Representative will receive paid time off only if he/she is the Representative of record; or is another City employee, not a representative of record, who is requested to accompany the employee seeking representation to an interview which the employee reasonably believes, may result in punitive action or to a meeting where documents shall be served.

AFSCME or CCEA may request, in writing to Human Resources, to have one (1) CCEA Representative accompany one (1) AFSCME Business Representative at a meeting related to any matter within the scope of CCEA's unit representation for training purposes. All such requests shall be submitted to Human Resources at least one (1) business day before the meeting for which such dual attendance is being requested.

If a Representative must leave his/her work location to represent an employee, he/she shall first obtain permission from his/her supervisor on a form provided by the City for such purpose. In those instances where an employee is working away from City Hall and is requested to provide representation, that employee shall first obtain verbal authorization from a supervisor to do so. As soon as is reasonably practicable, but not later than the end of the employee's following workday, the release shall be documented on a City provided form. Permission to leave will be granted unless such absence would cause an undue interruption of work. If such permission cannot be granted promptly, the grievant's Representative will be informed when time can be made available. To the extent reasonable and compatible with City operational needs, such time will not be more than forty-eight (48) hours, excluding scheduled days off and/or legal holidays, after the time of the Representative's request unless otherwise mutually agreed to. Denial of permission to leave at the time requested will automatically constitute an extension of time limits provided in the grievance procedure herein, equal to the amount of the delay.

Before leaving his/her work location, the Representative shall call the requesting employee's supervisor to determine when the employee can be made available.

Upon arrival, the Representative will report to the employee's supervisor who will make arrangements for the meeting requested.

The City will make reasonable time available to Representatives to investigate grievances and disciplinary matters on behalf of the grievant. Time spent on grievances, or the pre-disciplinary representation activities described above, outside of regular working hours of the employee or his/her Representative, shall not be counted as work time for any purpose.

The City shall provide a total of forty (40) hours of paid leave per fiscal year for the CCEA Board President or her/his designee, for purposes of Association business, conferences and seminars. These 40 hours shall not roll-over to other fiscal years and shall have no cash value and are the cumulative total hours to be provided for both the Full-Time and Part-Time bargaining units. This Association leave is in addition to any release time that the City provides that is required under the Meyers-Milias-Brown Act.

Section 6. Voluntary Political Contributions (PEOPLE Checkoff).

If an employee submits a form authorizing a deduction from his or her paycheck for the AFSCME PEOPLE Program, the City shall effectuate such payroll deduction beginning the next pay period. Deductions withheld by the City shall be transmitted by direct deposit to the AFSCME District Council 36 bank account, unless otherwise directed by the Association President.

Section 7. Non-Discrimination.

The parties shall treat all employees equally in employment matters without regard to race, color, religion, sex, sexual orientation, age, national origin, disability, and political or union activity.

Section 8. Joint Labor/Management Committee.

The City and the Association will maintain a Joint Labor Management Committee (the "Committee") comprised of seven (7) members. The City's members shall consist of representatives from the Human Resources Department and various other departments. The Association shall provide four (4) members to sit on its committee, which shall consist of two (2) Full-Time employees and two (2) Part-Time employees. Additional department and employee representatives may

participate on the Committee to deal with departmental matters which may be addressed. JLM meetings shall occur bi-monthly (every two months), unless the parties mutually agree otherwise; communication can continue in between meetings.

The JLM shall be utilized to allow the parties to discuss matters affecting the workplace environment. The JLM shall not be a means for participating in the meet and confer process as provided for by Government Code Sections 3500 et. seq. The JLM's meetings shall not be "meet and confer" sessions as that term is used in Government Code Sections 3500 et. seq. JLM consideration of proposed changes in terms and conditions of employment shall not occur and is not a condition precedent to the exercise by the City of its rights.

Section 9. City's Personnel Policies and Procedures and Standard Operating Procedures.

The City's Personnel Policies and Procedures and Standard Operating Procedures shall govern during the term of this Memorandum of Understanding, unless otherwise indicated herein.

Section 10. GPS Notification.

The City agrees to clearly state the reasons and notify CCEA Membership of the City's use of GPS devices annually.

Section 11. Acting Appointments Policy (I-4).

City Policy I-4, Acting Appointments, shall be amended to establish a 12-month time limit for the position (unless the incumbent is on workers' compensation or other approved leaves, in which case the time limit would not apply)

Section 12. Performance Evaluation Policy (IV-1).

City Policy IV-1, Performance Evaluation, shall be amended to align performance evaluations with step increases (if the employee has not yet attained the top step in the salary range) and require them to be completed within sixty (60) days of the due date, or the step increase will be issued without the evaluation, retroactively to the due date.

Section 13. Absenteeism Policy (III-8).

City Policy III-8, Absenteeism, shall be amended to add a written reprimand as the first occurrence penalty. Other penalties shall remain the same in the Policy. City agrees to further discuss the discipline levels at the Joint Labor/Management Committee.

Section 14. Schedule Changes.

Effective July 1, 2023, and upon ratification of the MOU, the City shall provide all affected unit employees with a minimum of five (5) calendar day's notice of schedule changes, unless due to emergencies related to public safety, health, or welfare. The City will communicate and/or post schedule changes with a Monday effective date to all employees by 10:00 A.M. (PST) on the Wednesday prior to the Monday effective date and will include at least one full workweek schedule.

This section shall not apply to those circumstances requiring employee coverage due to unplanned absences, stand-by, or on-call situations. Modifications to the employee's schedule may occur, as long as there is mutual agreement between management and the employee.

Section 15. Safety.

It is agreed that the City is committed to implementing bio-hazard clean-up kits and sharps disposal container programs throughout City facilities. This program will be discussed and implemented through the Safety Committee. It is further agreed that the City will modify the MOU, and the City's Policies and Procedures Manual, and any other applicable policies related to implementation of this program.

The City shall provide proper safety and health equipment with no charge to the employee. This shall include: (1) eye protection, including safety glasses, goggles, and face shields for welding; (2) mouth and breathing protection, including particulate, allergen, and chemical protection; (3) hearing protection, including plugs and covers; (4) gloves, such as outdoor work gloves, welding gloves, electrical gloves and driving gloves - the City shall also provide alternatives to vinyl or plastic if the employee is allergic to latex; (5) uniforms, including welding protection options and grease splash protection; (6) shoes, depending upon the

hazard of the work environment, (7) proper safety sunglasses; (8) and any other safety or health equipment required by law or approved by the City.

The City shall be responsible for providing safe working conditions for employees. Employees shall promptly report any potential safety hazards to their supervisor. The Association shall work with the City to orient and educate employees as to these responsibilities to notify the City of any unsafe working conditions.

Section 16. Commercial Driver's License Requirements.

Effective July 1, 2023, Senior Recreation Leaders and Recreation Leaders that bid to be regularly assigned to work at the Senior Center and/or Teen Center shall be required to obtain the California Class B Commercial Driver's License with Passenger Endorsement which is required to drive the "mini-bus"/Senior Shuttle with no additional compensation and that drivers regularly assigned to work at the Senior Center and/or Teen Center will be enrolled in the City's random alcohol and drug testing program for commercial drivers performing safety-sensitive functions.

Section 17. Policies Subcommittee.

The City and CCEA agree to establish a Policies Subcommittee to update current policies and implement new policies as agreed upon during negotiations for the 2023-2026 Memorandum of Understanding. The policies subcommittee would consist of up to eight (8) members. The City shall assign up to four (4) members to sit on the subcommittee, at least one of whom shall be a representative from the Human Resources Department. CCEA shall select up to four (4) members to sit on the subcommittee, which may be selected from the Full-Time and Part-Time bargaining units.

The following existing policies or new policies are scheduled to be reviewed or created by the policies subcommittee, upon mutual agreement by the City and the CCEA: Requesting and Recruiting for Personnel Policy; Testing, Certification and Eligibility Lists Policy, I-2; Nepotism Policy, I-6; Driver's License Requirements Policy, I-13; Substance Abuse Policy for Commercial Drivers, III-20; GPS/Cameras; Standby Pay; Disciplinary Procedures; Fraternalization; Bilingual Pay; Telecommuting Policy, Safety, Secondary Employment or Business Activity;

Education Incentive Policy; Marijuana Testing; Part-Time Medical; and Part-Time Sick and Vacation Accrual Rate.

Section 18. Employee Incentives.

Effective July 1, 2023, and beginning with fiscal year 2023-2024, the City will invest up to a total of Two Hundred Thousand Dollars (\$200,000.00) per fiscal year for employee incentives for both Part-Time and Full-Time employees, based on the City's needs and areas where the City deems there is a recruitment and retention need, including, but not limited to, adjustments related to Education Assistance (anything over budget); Retention of High Performance and a Signing Bonus Budget of up to Fifty Thousand Dollars (\$50,000.00) total for all employees per fiscal year; Employee Recognition Leave; Mechanic Tool Allowance (the cost difference between the prior allowance and current allowance); and Safety Footwear Allowance (the cost difference between the prior allowance and current allowance).

Section 19. Retention and Recruitment Bonus Program.

Effective July 1, 2023, the City will maintain a sign-on and retention bonus program, with a set yearly fiscal budgeted total amount of up to Fifty Thousand Dollars (\$50,000.00), which will be included in the Employee Incentives Budget. Upon approval by the City Manager and Director of Human Resources, this budget will be utilized for hard-to-fill positions and retention of high-performing unit employees.

The City Manager (or designee), along with the Director of Human Resources, may authorize a retention bonus for employees who have been employed with the City for at least twelve (12) consecutive months, who are a retention risk and have received at least a "Satisfactory" performance rating in the prior rating period. Employees who voluntarily leave City employment within twelve (12) months of receiving a bonus awarded through one of the programs described in this section must repay the full amount of the bonus to the City.

Section 20. Recognition Budget.

Effective July 1, 2023, the City shall provide each department a budget of Five Dollars (\$5.00) per unit member per fiscal year for employee recognition purchases such as coffee, pizza, lunch and learns, etc. subject to funding availability in the Employee Incentives Budget.

ARTICLE XIII MODIFICATION

Section 1. Maintenance of Existing Conditions.

Any employment policy, practices and/or benefits, including the alternative workweek schedule and overtime compensation are incorporated into this Memorandum of Understanding, unless otherwise stated herein. In the event of a conflict between the Memorandum of Understanding and an existing policy and/or practice, this Memorandum of Understanding shall govern.

Section 2. Modification and Waiver.

The City reserves the right to add to, delete from, amend or modify the Administrative rules, the City Municipal Code, and the City's Personnel Policies and Procedures Manual during the term of the Memorandum of Understanding, subject to the requirements of the Meyers-Milias-Brown Act.

Section 3. Severability.

In the event that a court finds any provision(s) of this Memorandum of Understanding to be invalid or unenforceable, the parties intend that the remaining provisions remain in effect. The parties further agree to meet and confer for purposes of negotiating an alternative to any provision declared invalid or unenforceable.

Section 4. Economic Emergency Re-Opener.

Due to the uncertainty surrounding gaming revenues for the City, rising pension liabilities and health care costs, and in order to ensure the City is fiscally viable so that it can honor its current and future commitments to employees, the parties

agree that during the term of the Agreement, bargaining shall be re-opened, at the City's option, if it declares an economic emergency. The parties agree that any changes are subject to mutual agreement.


ARTICLE XIV TERM

- A. Except as otherwise provided herein, this Memorandum of Understanding shall be in full force and effect from July 1, 2023, and shall remain in full force and effect up to and including midnight, June 30, 2026 or until the next Memorandum of Understanding becomes effective.
- B. This Memorandum of Understanding shall be binding on the City and the Association when approved and adopted by the City Council.


The City and the Association agree to submit proposals for any changes related to wages, benefits and/or other terms of and conditions of employment affecting this Memorandum of Understanding by January 2026. The City and Association shall review the terms of this understanding, and meet and confer on any proposed changes to this Memorandum of Understanding beginning February 2026.

Signatures


AFSCME LOCAL 773/CCEA


 05/17/2024
Omar Olivas Date
President AFSCME Local 773/CCEA


 5/1/2024
Kevin Larsen Date
AFSCME Local 773/CCEA

 4.25.24
Evelyn Diaz Date
AFSCME Local 773/CCEA

 4-25-2024
Veronica Diaz Date
AFSCME Local 773/CCEA

 4/25/24
Anthony Gutierrez Date
AFSCME Local 773/CCEA

 4/29/24
Mack Jefferson III Date
AFSCME Local 773/CCEA

 4/25/24
Lori Condinus Date
AFSCME Local 773

CITY OF COMMERCE

 5/22/24
Ernie Hernandez Date
City Manager

 5/22/24
Mike Haraway Date
Employee & Labor Relations Manager

APPENDIX A DENTAL PPO PLAN

City of Commerce Summary of Benefits



A UnitedHealthcare Company

Covered Services	
Calendar Year Deductible	
Per Person	\$25.00
Family	\$75.00
Maximums (the sum of all Network and Non-Network benefits will not exceed annual maximum)	
Calendar Year Benefit Maximum – including Preventative, Basic and Major Services	\$2000.00
Lifetime Orthodontic Maximum (no age limits--all employees and dependents are covered.)	\$3000.00
PREVENTATIVE SERVICES	
Periodic Oral Evaluation	100%
Lab and Other Diagnostic Tests	100%
Prophylaxis (Cleaning)	100%
Fluoride Treatment (Preventive)	100%
Sealants	100%
Emergency Palliative Treatment	100%
Space Maintainers	100%
Consultations and Other Exam by Specialist	100%
BASIC SERVICES	
Radiographs	85%
Minor Restorative Services	85%
Endodontics/Pulp Services	85%
Simple Extractions	85%
Oral Surgery (incl. surgical extractions)	85%
Periodontics Services	85%
Repairs, Relines, & Adjustments of Prosthetics	85%
Occlusal guards and adjustments	85%
Implants and related services	85%
MAJOR SERVICES	
Inlays/Onlays/Crowns	80%
Dentures and Removal Prosthetics	80%
Fixed Partial Dentures (Bridges)	80%
Orthodontic services	
Covered for all employees, dependents	50%

See Covered Expenses and General Exclusions for benefit guidelines.

This is a summary of benefits and not a guarantee. Benefit payments are subject to all plan provisions and eligibility requirements at the time services are rendered. The plan document and summary plan description are the official sources of information. In the event of a discrepancy, the plan document and summary plan description will prevail.

APPENDIX B VSP VISION BENEFITS SUMMARY

Your VSP Vision Benefits Summary
CITY OF COMMERCE and VSP provide you with an affordable vision plan.

PROVIDER NETWORK:

VSP Signature

EFFECTIVE DATE:

01/01/2024



BENEFIT	DESCRIPTION	COPAY	FREQUENCY
Your Coverage with a VSP Provider			
WELLVISION EXAM	<ul style="list-style-type: none"> Focuses on your eyes and overall wellness Routine retinal screening 	\$10 for exam and glasses Up to \$39	Every 12 months
PRESCRIPTION GLASSES			
FRAME*	<ul style="list-style-type: none"> \$150 Featured Frame Brands allowance \$130 frame allowance 20% savings on the amount over your allowance 	Combined with exam	Every 12 months
LENSES	<ul style="list-style-type: none"> Single vision, lined bifocal, and lined trifocal lenses Impact-resistant lenses for dependent children 	Combined with exam	Every 12 months
LENS ENHANCEMENTS	<ul style="list-style-type: none"> Progressive lenses Anti-glare coating Tints/Light-reactive lenses Scratch-resistant coating Average savings of 40% on other lens enhancements 	\$0 \$0 \$0 \$0	Every 12 months
COVERED CONTACT LENSES (IN ADDITION TO GLASSES)	<ul style="list-style-type: none"> Annual supply of contacts Contact lens exam (fitting and evaluation) 	\$50	Every 12 months
ADDITIONAL SAVINGS	<p>Glasses and Sunglasses</p> <ul style="list-style-type: none"> Discover all current eyewear offers and savings at vsp.com/offers. 30% savings on unlimited additional pairs of prescription or non-prescription glasses/sunglasses, including lens enhancements, from the same VSP provider on the same day as your WellVision Exam. Or get 20% savings from a VSP provider within 12 months of your last WellVision Exam. <p>Laser Vision Correction</p> <ul style="list-style-type: none"> Average of 15% off the regular price; discounts available at contracted facilities. After surgery, use your frame allowance (if eligible) for sunglasses from any VSP doctor <p>Exclusive Member Extras for VSP Members</p> <ul style="list-style-type: none"> Contact lens rebates, lens satisfaction guarantees, and more offers at vsp.com/offers. Save up to 60% on digital hearing aids with TruHearing®. Visit vsp.com/offers/special-offers/hearing-aids for details. Enjoy everyday savings on health, wellness, and more with VSP Simple Values. 		
YOUR COVERAGE GOES FURTHER IN-NETWORK			
With so many in-network choices, VSP makes it easy to get the most out of your benefits. You'll have access to preferred private practice, retail, and online in-network choices. Log in to vsp.com to find an in-network provider.			

*Only available to VSP members with applicable plan benefits. Frame brands and promotions are subject to change.
 †Savings based on doctor's retail price and vary by plan and purchase selection; average savings determined after benefits are applied. Ask your VSP network doctor for more details.
 +Coverage with a retail chain may be different or not apply.
 VSP guarantees member satisfaction from VSP providers only. Coverage information is subject to change. In the event of a conflict between this information and your organization's contract with VSP, the terms of the contract will prevail. Based on applicable laws, benefits may vary by location. In the state of Washington, VSP Vision Care, Inc., is the legal name of the corporation through which VSP does business. TruHearing is not available directly from VSP in the states of California and Washington. Premier Edge is not available for some members in the state of Texas.
 To learn about your privacy rights and how your protected health information may be used, see the VSP Notice of Privacy Practices on vsp.com.
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 VSP, Eyeconic, and WellVision Exam are registered trademarks, and VSP LightCare and VSP Premier Edge are trademarks of Vision Service Plan. Flexon and Dragon are registered trademarks of Marchon Eyewear, Inc. All other brands or marks are the property of their respective owners. 102898 VCCM
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