MEMORANDUM OF UNDERSTANDING
between the

CITY OF ARTESIA

and the

THE AMERICAN FEDERATION of STATE, CITY and MUNICIPAL EMPLOYEES, AFL-CIO, Local 1520, Council 36

MAY 1, 2015 to JUNE 30, 2019

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MEMORANDUM OF UNDERSTANDING
BETWEEN AFSCME AND THE CITY OF ARTESIA

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is entered into this 1st day of MAY, 2015 by and between the CITY OF ARTESIA ("City") and the AMERICAN FEDERATION of STATE, CITY, and MUNICIPAL EMPLOYEES, AFL-CIO, Local 1520, Council 36, (hereinafter "AFSCME" or "Union").

IT IS AGREED between the City and the Union that the provisions of this MOU shall not be binding on the parties until the MOU is ratified and adopted by resolution by the Artesia City Council.

ARTICLE I. RECOGNITION

A. The City of Artesia ("City") recognizes the American Federation of State, City, and Municipal Employees, AFL-CIO, Local 1520, Council 36, (hereinafter "AFSCME" or "Union") as the exclusive bargaining agent for all regular full-time and part-time employees employed by the City in the classifications referenced in Appendix "A" of this MOU subject to the applicable provisions of the law. "Regular full-time and part-time employees" shall include, but not be limited to all represented employees of the City in the job classifications listed in Appendix "A", including newly created classifications, and all regular full-time and part-time employees of the City. Management, unrepresented, seasonal, temporary, or at-will employees shall not be subject to this MOU. The City shall meet and confer on the salary rate and family of jobs for all newly created represented classifications.

Whenever the word "employees" is used in this agreement it shall mean the regular full-time and part-time employees in the bargaining unit as described above. Whenever the words "temporary employee" or "seasonal employee" are used, they shall mean a person(s) hired to do work that would normally be performed by employees in this bargaining unit and whose employment shall be limited to a specified period of time as described herein.

B. No temporary employee shall work in the same capacity and perform continuous service for more than six (6) months for a total of 960 hours in a fiscal year. In the event that a Department Head has unusual circumstances that warrant employment of a temporary employee for a longer period, such as when the employee is grant funded, the Department Head may seek approval from the City Manager prior to the temporary employee's completion of 960 hours of work. Any request to extend the service shall set forth a justification to include the hire date of the temporary employee, and the number of hours requested in the extension. The Union shall be notified of the City Manager's decision to grant or deny extended service.

C. No work normally performed by an employee covered by this agreement shall be contracted out until AFSCME and the City have met and conferred regarding the impact of contracted out work of the employees. The City shall make every effort to avoid the

transfer, demotion, or layoff of employees that may result from the City contracting out work. The City shall, where possible, offer employees a transfer or demotion to a vacant position for which the employee is qualified, before laying off the employee from City service.

Also, no employee who has been employed by the City for more than 10 years shall be laid off because of contracting out.

D. There shall not be provisional employees.

E. Whenever the word "seniority" is used in this agreement, it shall mean Citywide Seniority.

ARTICLE II. TERM OF MEMORANDUM OF UNDERSTANDING

The Term of this MOU shall commence on MAY 1, 2015 and end on JUNE 30, 2019.

ARTICLE III. NONDISCRIMINATION

The City and Union recognize the right of the employees to form, join or participate in lawful activities of employee organizations and the equal alternative right of employees to refuse to form, join or participate in employee organization activities. No employee shall be intimidated, coerced, restrained or discriminated against by the City or the Union in any manner which is unlawful pursuant to state or federal law. This article is not to be subject to the Grievance Procedure.

The City and the Union agree that no employee will be promoted, demoted, transferred, bypassed for promotion, disciplined, or discharged or in any way discriminated against because of race, color, sex, age, national origin, disability, political or religious opinions or affiliations. The City and the Union shall reopen any provision of this Agreement for the purpose of complying with any final order of the federal or state agency or court of competent jurisdiction requiring a modification or change in any provision of this Agreement in compliance with state or federal anti-discrimination laws. Equal employment opportunity will be extended to all persons in all aspects of the employer-employee relationship, including recruitment, hiring, upgrading, training, promotion, transfer, discipline, layoff, recall and termination.

Whenever the masculine gender is used in this Memorandum of Understanding, it shall be understood to include the feminine gender.

ARTICLE IV. FULL UNDERSTANDING

This MOU contains all of 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 contained in this MOU are hereby superseded or terminated in their entirety.

For the life of this MOU, Union and the City mutually agree that to reopen negotiations with respect to any subject or matter covered in this MOU requires mutual consent by both parties. Without such mutual consent, the parties shall not be required to meet and confer regarding same.

ARTICLE V. CITY'S RIGHTS AND RESPONSIBILITIES

Section 1. The City reserves, retains and is vested with, solely and exclusively, all rights of management as allowed by law, unless modified by this Memorandum of Understanding. The rights of the City include, but are not limited to, the exclusive right to:

A. Manage the City generally and to determine the issues of policy.

B. Determine the necessity and organization of any service or activity conducted by the City and expand or diminish service.

C. Determine the nature, manner, means, and technology and extent of services to be provided to the public.

D. Methods of financing.

E. Types of equipment or technology to be used.

F. Determine and/or change the facilities, methods, technology, means and size of the work force by which City operations are to be conducted.

G. Determine and change the number of locations, relocations and types of operations, processes, and materials to be used in carrying out all City functions including, but not limited to, the right to contract for or sub-contract any work or operation.

H. Determine the size and composition of the workforce.

I. Assign work to and schedule employees in accordance with requirements as determined by the City, and to establish hours of work and change work schedules and assignments.

J. Relieve employees from duties for lack of work or similar non-disciplinary reasons.

K. Establish and modify productivity and performance programs and standards.

L. Discharge, suspend, demote or otherwise discipline employees in accordance with the City Personnel Rules and Regulations.

M. Determine job classification, assign positions to job classifications, to reclassify employees without competition as long as the employees are qualified and employment laws are followed, to create new classification positions, and/or salary ranges as needed, to underfill any allocated position.

N. Hire, transfer, promote and demote employees for non-disciplinary reasons in accordance with the Memorandum of Understanding and City Personnel Rules and Regulations.

O. Determine policies, procedures and the standards for selection, training and promotion of employees.

P. Establish and manage employee performance standards including, but not limited to, quality and quantity standards; and to require compliance therewith.

Q. Maintain order and efficiency in its facilities and operations.

R. Establish and promulgate and/or modify rules and regulations to maintain order and safety in the City which are not in contravention with this Agreement.

S. Take any and all necessary action to carry out the mission of the City in emergencies.

Section 2. Where management makes any changes in working conditions because of the requirements of Federal and State law, the City shall not be required to negotiate the matter or manner of compliance with such law where the manner of compliance is specified by such law. Except in emergencies, or where the City is required to make changes in its operations because of the requirements of Law, whenever the contemplated exercise of management's rights shall impact on a significant number of employees of the bargaining unit, the City agrees to meet and confer with the Union on all matters relating to employment conditions and employer-employee relations including wages, hours and other terms and conditions of employment of employees within the bargaining unit unless the matter of the exercise of such rights is provided for in this Memorandum of Understanding. Nothing in this Article is intended to modify the City's obligations under the Meyers-Milias Brown Act.

ARTICLE VI. NOTIFICATION OF JOB CLASSIFICATION CHANGES

The City shall notify the Union or the affected employee(s), with a copy of any proposed changes in the duty statement for existing classifications represented by the Union no less than ten (10) working days prior to final approval.

ARTICLE VII. ACTING PAY

An employee assigned to fill a higher-level classification is eligible to receive acting pay after fifteen (15) calendar days of continuous service in the higher-level position. Acting pay shall be a salary increase to the first step on the new range which would provide for at least a five percent (5%) raise, but shall not exceed the top step of the new range.

ARTICLE VIII. SALARIES AND COMPENSATION

A. Salary Adjustments (Except to those employees who are above market who shall remain y-rated until June 30, 2017; see section B herein)

1. Effective at 12:01 p.m. on May 1, 2015 (at the beginning of the payroll period for full time employees), City will provide a salary adjustment of five percent (5%) to employees.

   Effective at the beginning of the work day on May 1, 2015 (at 12:01 a.m. for part time employees), City will provide a salary adjustment of five percent (5%) to employees.

2. Effective as of the beginning of the first complete payroll period that begins after July 1, 2016, City will provide a salary adjustment of four percent (4%) to employees.

3. Effective as of the beginning of the first complete payroll period that begins after July 1, 2017, City will provide a salary adjustment of three percent (3%).

4. Effective as of the beginning of the first complete payroll period that begins after July 1, 2018, the City shall provide a salary adjustment of two percent (2 %).

B. Salary adjustments to Y-rated employees (Recreation Leader I and II) shall remain y-rated until June 30, 2017 and only receive the following salary adjustments to assist them in paying their full EPMC. Y-rated employees shall then be eligible to receive the salary adjustments as described above in July 2017 and July 2018.

1. Effective May 1, 2015, Y-rated employees shall receive a salary adjustment of three percent (3%)

2. Effective as of the beginning of the first complete payroll period that begins after July 1, 2016, Y-rated employees shall receive a salary adjustment of three percent (3%)

C. Discretionary Salary Adjustments

The City agrees that if its financial condition allows, at its sole discretion, it shall provide a salary adjustment to employees of up to one percent (1%) in FY 2016-17, to be effective July 1st after the finalization of the City's Annual Financial Report for the preceding fiscal year. The City agrees that if its financial condition allows, at its sole discretion, it shall provide a salary adjustment to employees of up to two percent (2%) in FY 2017-18, to be effective July 1st after the finalization of the City's Annual Financial Report for the preceding fiscal year.

D. All employees shall be properly classified with a title, salary range, job description and classification that fits within their duties. There shall be equal pay for equal work. The City also shall not reduce the professionalism or programmatic, craft, or skill levels of a position or classification without first meeting and conferring with AFSCME.

E. Employees who use their personal vehicles for City work shall be reimbursed in accordance with the rate allowed by the Internal Revenue Service (IRS) at the time the use occurred.

F. Employees may receive an education reimbursement in accordance with following procedure:

Education reimbursement is a discretionary benefit provided to all actively employed eligible regular employees for job-related courses, job-related-degree programs, or job related vocation training. Education reimbursement to eligible employees shall be up to a maximum of $2,000.00 per fiscal year, per eligible employee. Approval and reimbursement shall be on a first come, first serve basis and is subject to funds availability in the City budget. Employees enrolled in degree courses must maintain a minimum grade of "C." Grades shall be based upon a scale of "A" through "F." The employee must provide written evidence of having satisfactorily completed the course. The City Manager must have approved the course for reimbursement prior to the employee's enrollment in the course. Receipts for books, materials, or other course costs must be provided prior to any reimbursement for same. Veterans or other educational benefits must be exhausted before financial assistance is provided by the City. If the employee is enrolled and subsequently terminated from City employment while enrolled in a course, prior to reimbursement, reimbursement will still be paid if the termination is not for misconduct. If the employee resigns his/her position before completion of the course, the City's education reimbursement benefit is forfeited by the employee.

G. The City of Artesia will maintain payday as every other Friday based on a two (2) week pay cycle. The City and Union agree to meet and confer before July 2015 and synchronize all payrolls onto one cycle. Employees shall not suffer any financial loss as a result of such changes.

H. <u>Uniforms</u>

1. The City will provide a maximum uniform allowance of $220.00 annually for employees assigned to the following classifications: Maintenance Specialists, Maintenance Workers, Code Compliance Officers, and Parking Enforcement Officers. The required uniform is to ensure that the employees are dressed appropriately each day they report to work.

2. Each year in November, the City will issue a Purchase Order to a vendor who can supply the required uniforms for each classification. The City Purchase Order will authorize the vendor to bill the City up to a maximum of $220.00 for each eligible employee.

3. New employees shall receive a full $220.00 allotment upon hiring, followed by a prorated allotment on their first November of employment. This will enable new employees to buy a full complement of necessary uniforms at the beginning of their service, but shall correct for the excess allowance on the subsequent normal November cycle for existing employees.

   Example: A new employee hired August 11th shall receive up to $220.00 = 220 x (365/365) upon hiring, followed by up to $49.42 = 220 x (82/365) on his or her first November of employment, followed by up to $220.00 on his or her second November of employment. The prorated amount reflects the number of days upon hiring in August (21 days from the 11th through the 31st), September (30 days), and October (31 days), or 21+30+31=82; this number is then divided by 365, which are the number of days in a year, and finally, is multiplied by the $220.00 allotment.

4. Employees assigned as Code Compliance Officers, Parking Enforcement Officers, Recreation Program Coordinators, and Recreation Leaders may wear shorts in hot weather provided the shorts are neat, presentable, and modest (e.g. long – the pant legs should graze the knee when standing; employees electing to wear shorts are required to wear undergarments as a condition of this privilege).

5. Employees in the Parks and Recreation Department who work 30 hours or more per week shall be provided with five (5) polo shirts. Employees in the Parks and Recreation Department who work less than 30 hours shall be provided three (3) polo shirts. Employees may choose to purchase additional polo shorts at their own expense. Employees may substitute one (1) sweatshirt for a polo shirt.

I. The City will provide a maximum boot allowance of $100.00 annually for employees of the Public Works Department, Code Enforcement Officers and Parking Control Officers. Payment is for boot replacement and shall be made to eligible employees in November of each year or one (1) year from the date an employee initially receives a boot allowance. Employees are required to submit a store receipt for reimbursement of boot purchase. Footwear purchased must comply with standards established by Cal-OSHA.

ARTICLE IX. RETIREMENT

A. CalPERS Contributions into Employee-Paid Maximum Contributions (EPMC)

1. Current CalPERS eligible full-time and part-time Employees (including y-rated employees)

   Employees shall make the following EPMC contributions to their CalPERS retirement as follows:

a. Effective as of the beginning of the first complete payroll period that begins after July 1, 2015 — three percent (3%)

b. Effective as of the beginning of the first complete payroll period that begins after July 1, 2016 — three percent (3%)

c. Effective as of the beginning of the first complete payroll period that begins after July 1, 2017 — two percent (2%)

2. New CalPERS eligible Full-time and Part-time Employees – hired on or after 1/1/13

Shall abide by the requirements of PEPRA with respect to formula and their contribution of 50% of the normal cost beginning with the first pay period.

3. Newly hired "classic" employees shall be subject to the EPMC contributions set forth above in Section A. 1 beginning with the first pay period of their employment.

B. Purchase of Military Service Credit as Public Service – Pursuant to Section 21024 of the Public Employee Retirement Law, an employee may elect to purchase up to four (4) years of service credit for any continuous active military service prior to employment provided; however, the employee must contribute an amount equal to the contribution for current and prior service that the employee and the City would have made with respect to that period of service.

C. Retirement Calculations

Tier I- Single highest year – For "classic" employees, the provision of Section 20042 of the Public Employees Retirement Law shall apply to miscellaneous members.

Tier II – Three (3) highest year average - For employees hired on or after January 1, 2013 the provision of Section 7522.32(a) of the Public Employees Retirement Law shall apply to miscellaneous members.

D. Retirement Formula

Tier I – 2% at 60 – All "classic" employees covered under this provision of this MOU shall have their final percentage of final compensation to be provided for each year of credited prior and current service determined in accordance with Section 21354.3 of the Public Employees Retirement Law (2% at 60).

Tier II – 2% at 62 - All employees covered under this provision of this MOU hired on or after January 1, 2013 shall have their final percentage of final compensation to be provided for each year of credited prior and current service determined in accordance with Section 7522.20 of the Public Employees Retirement Law (2% at 62) based on Article 4. California Public Employee's Pension Reform Act of 2013.

ARTICLE X. RETIREE HEALTH

A. Current Employees Hired on or before April 30, 2015

1. Current retirees and their dependents will have no change to their level of coverage.

2. Current employees: Current employees who retire from the City after May 1, 2015 shall receive a maximum monthly contribution for medical and dental coverage that is equal to the cafeteria amount that the City pays for the employee as of their last date of active employment.

3. Retirees must apply for Medicare upon reaching eligibility and the City will coordinate benefit coverage.

4. Dependent coverage ends based on policy age limits.

B. New Full-Time Employees hired on or after May 1, 2015

1. Employees must work for the City for at least ten consecutive years and retire from the City in order for the employee to be eligible for retiree medical benefits and shall receive the PEMHCA Minimum Employer Contribution pursuant to California Government Code section 22892.

2. Benefits end once eligible for Medicare.

ARTICLE XI. ACTIVE EMPLOYEE HEALTH BENEFITS

A. Current Full-time and Benefited Part-time Employees Cafeteria Plan (Only applies to benefited part-time employees who are those employees who work 1,000 hours during a fiscal year).

1. Full-time and benefited part-time employees hired on or before April 30, 2015 shall receive a monthly benefit toward the cost of family medical insurance, dental insurance, vision insurance and life insurance. The employee may purchase only those benefit programs offered by the City.

2. The City will offer the following maximum monthly contributions to employees for these benefits:

Single — $760

Single + 1 — $980

Family — $1,275

3. Employees must remain in the same medical and dental plans in which they are currently enrolled for the term of the Agreement. At open enrollment current employees will have the option to move from their current plans to "less expensive" plans.

4. The City will ensure that, as part of various health insurances being offered, a vision plan will be made available.

5. For medical, dental and vision plans, dependent coverage ends based on policy age limits.

6. If an employee has a need to change coverage due to a change in family situation (e.g. single to single +1 or single +1 to family) the City will contribute up to the next level in the Cafeteria plan. Employees may choose another medical plan option but will also be responsible for any premium cost differentials.

7. Medical and Dental Deductible Reimbursement: The City will reimburse eligible employees for the deductible in medical and dental coverage, up to $500 per calendar year, upon presentation to the Personnel Office an Explanation of Benefits (EOB) from an approved medical or dental provider when the amount has been applied to meet a deductible, also referred to as a co-pay.

8. Life Insurance: Employees may use cafeteria benefits to purchase life insurance. Employees may purchase additional life insurance in $10,000 increments at their own expense. Employees may purchase life insurance for their dependents at their own expense.

B. New Full-time Employees — Hired on or after April 30, 2015 Cafeteria Plan

1. Full-time employees hired on or after May 1, 2015 shall receive a monthly benefit toward the cost of family medical insurance, dental insurance, vision and life insurance. The employee may purchase only those benefit programs offered by the City.

2. City shall make the following maximum contributions for payment of these benefits:

   Single — $560

   Single + 1 — $730

   Family — $975

3. Life Insurance: Employees may use cafeteria benefits to purchase life insurance, up to $50,000. Employees may purchase additional life insurance amounts at

their own expense. Employees may purchase life insurance for their dependents at their own expense.

C. Long Term Disability: All active, full-time employees working thirty (30) or more hours per week on a regular basis are provided non-participating Long Term Group Disability Insurance on the first day of the month following date of hire. The amount of insurance will be 66 2/3 % of basic monthly earnings, excluding overtime, up to age 65 not to exceed a maximum monthly benefit of $3,000; including amounts payable by Social Security and workers' compensation benefits. Benefits will begin after a six (6) month waiting period and payment of benefits is subject to all provisions of the master policy.

D. New Part-time Employees — Hired on or after May 1, 2015

1. City shall make no contributions for payment of any medical, dental or vision insurance premiums, except for the PEHMCA Minimum Employer Contribution pursuant to California Government Code section 22892 for those who work the 1,000 hours for PERS eligibility.

2. Life Insurance: New part-time employees may purchase life insurance at their own expense, up to $100,000. Employees may purchase life insurance for their dependents at their own expense. The City shall make no contribution towards this premium.

ARTICLE XII. VACATION

A. All full-time employees shall earn vacation time as follows:

Years of Eligible Service	Accruals
0 through 5	6.6667 hours per month
6 through 15	10 hours per month
16 plus years	8 additional hours per year for each additional year served up to a maximum of 13.3333 hours per month.

Employees are not eligible to receive vacation pay until accrued. Vacation may be taken at times agreeable to the department head. No vacation shall be taken for a period exceeding the maximum hours accumulated at any given time. Vacation leave only accrues when an employee is in a paid status and not when an employee is on a Leave of Absence for more than 30 days.

B. Notwithstanding any previous contract language or past practices regarding vacation accrual for benefited part-time employees, who reach 1,000 hours during a fiscal year, shall be eligible to earn vacation going forward, once the 1,000 hours is reached. Accrual

rates shall be in accordance with the City of Artesia's Personnel Rules and Regulations. For purposes of the 1,000 hours accrued time, vacation leave only accrues when an employee is in a paid status and not when an employee is on a Leave of Absence for more than 30 days. Accrued vacation leave may not be used before completion of six (6) months of active service once accrued. No vacation shall be taken for a period exceeding the maximum hours accumulated at any given time.

C. Vacation Leave Maximum Accrual

1. Current Employees — Hired on or before April 30, 2015

a. Establishment of Maximum Leave Balance. Current employees may only accrue vacation leave up to a maximum vacation leave balance of 320 hours.

b. City Payroll services shall establish a Vacation Leave Bank Y

i. As of the last pay date in June 2015, Payroll Services will calculate all vacation leave accrued in accordance with existing and established practice. All time used by and including June 30, 2015 will be reconciled for a final balance of vacation leave hours available as of June 30, 2015.

ii. On July 1, 2015, Payroll services will establish two vacation leave banks. One bank will be called Vacation Leave Bank Y. The other bank will be called Vacation Leave Bank New. The total number of hours memorialized as per the procedure described in XII.C.1.b.i will determine the hours placed into Vacation Leave Bank Y, effective as of July 1, 2015.

iii. City shall, upon termination, layoff, or retirement, pay 100% of any remaining balance in *Vacation Leave Bank Y*. Employees may use any vacation leave balance at any time.

c. City shall establish a separate bank for vacation leave accrued on or after July 1, 2015 and this new bank shall be commonly referred to as *Vacation Leave Bank New*.

i. Any balance in the *Vacation Leave Bank New* shall count towards the maximum cap of 320 hours.

ii. Any vacation leave usage occurring on or after July 1, 2015 will be taken out of the *Vacation Leave Bank New* first; in the event that the *Vacation Leave Bank New* is fully depleted, only then shall usage be taken out of *Vacation Leave Bank Y*. In other words, newly accrued hours will be banked into and used out of *Vacation Leave Bank New*

first; time will be used out of *Vacation Leave Bank Y* only when *Vacation Leave Bank New* is fully depleted.

d. Establishment of Excess Leave Pay-Off Schedule

The value of hours in *Vacation Leave Bank Y* will be paid out according to the following schedule:

i. On or before December 31, 2018, the value of one half (1/2) of all hours in *Vacation Leave Bank Y* shall be paid to the employee and the *Vacation Leave Bank Y* hours will be reduced respectively.

ii. On or before December 31, 2019, the value of all remaining hours in *Vacation Leave Bank Y* shall be paid to the employee and the *Vacation Leave Bank Y* hours will be reduced respectively to zero. After this payout, all hours in *Vacation Leave Bank Y* will have been either used or paid out, and this bank shall cease to exist.

2. New Employees — Hired on or after May 1, 2015

a. Employees hired on or after May 1, 2015 may only accrue vacation leave up to a maximum vacation leave balance of 320 hours.

b. Upon resignation, layoff, death, or termination, all vacation leave accrued to the employee shall be granted one for one and a full cash payment shall be made to the employee. The City shall make such payment to the employee no later than the next payroll of such resignation, layoff, death, or termination. In the case of death, the payment shall be made to the beneficiary of record or to the estate, as the case may be.

ARTICLE XIII. HOLIDAYS

A. The City shall observe the following holidays:

1. New Year's Day
2. Martin Luther King Day
3. President's Day
4. Cesar Chavez Birthday
5. Memorial Day
6. Independence Day
7. Labor Day
8. Veteran's Day
9. Thanksgiving Day
10. Friday after Thanksgiving Day
11. Christmas Day

All days declared a holiday by the City Council.

Employees who work "regular" eight (8) hour days shall receive eight (8) hours of holiday pay. Employees who work a "9/80" schedule shall receive nine (9) hours of holiday pay except when the holiday falls on the Friday that the employee would normally work an eight (8) hour day, in which case the employee shall receive eight (8) hours of holiday pay. Part-time benefited employees shall be pro-rated.

B. Part-time unbenefited employees shall receive four (4) hours of regular pay for the following holiday:

Christmas

C. When a holiday falls on a Saturday, the preceding workday shall be observed as the holiday. When a holiday falls on Sunday, the next day shall be observed as the holiday.

D. The City will continue its practice and adjust the time sheet to reflect holiday leave when such employees are utilizing paid leave and the Mayor and council subsequently declare those days as a Holiday.

E. Full and part-time benefited employees who are authorized to work on Memorial Day, Independence Day, Labor Day, and Veteran's Day shall be compensated at double time for actual hours worked.

F. A full and part-time benefited employee who is authorized to work on a holiday except for Memorial Day, Independence Day, Labor Day, and Veteran's Day shall be compensated at one and a half (1 1/2) times regular pay for the time worked, plus eight (8) hours of regular pay.

G. Part-time unbenefited employees who are authorized to work on Christmas, shall be compensated at one and a half (1 1/2) times regular pay for the time worked.

Strict seniority shall be used when assigning part-time staff to work during holidays.

By job title, employees shall be asked in seniority order if they wish to volunteer for holiday work. If a sufficient number of employees do not volunteer, then in reverse order of seniority, by job title, they shall be assigned the work.

H. Full-time employees shall receive three (3) floating holidays each year paid as nine (9) hours of pay at straight time. Employees who do not use their floating holidays will forfeit this benefit on December 31st of each year. Holiday benefits will not accrue during any leave of absence. An employee who is on a leave of absence without pay for either the regularly scheduled working day before the holiday, or after the holiday shall not be paid for the holiday or accrue while on leave. If an employee is laid off or terminated, he or she shall be fully paid for all floating holidays not used in the current calendar year.

ARTICLE XIV. LEAVES

A. Sick Leave

1. Full-time employees shall receive eight (8) hours of paid sick leave for each month of work when an employee is in a paid status. In accordance with the City Personnel Rules and Regulations an employee that is unable to report to work due to personal or immediate family illness or injury must contact their supervisor within a half (1/2) hour of their normal starting time, or as soon as possible in the event of an emergency.

2. All part-time benefited employees who work 1,000 hours in a fiscal year, shall be eligible to earn sick leave in accordance with state law. Accrual rates shall be in accordance with the City of Artesia Personnel Rules and Regulations and accrue on a pro-rated basis for actual hours worked.

3. Beginning July 1, 2015, sick leave shall be provided in the amount of three (3) days each fiscal year for part-time unbenefited employees who work more than 30 days in a year, once completing 90 days of employment. The amount of sick leave to be used may not exceed 24 hours in any fiscal year and accrued sick leave may carry forward up to 48 hours balance of any unused sick leave. Sick leave is not compensable upon termination, and therefore any sick leave balance will not be paid upon separation from employment.

4. Sick leave pay shall be requested only in cases of actual personal sickness or disability, medical or dental treatment, or as authorized by the Personnel Officer under the provisions of the Pregnancy Disability Leave Act and/or the California Family Rights Act (CFRA), or California Labor Code Section 233 (use of sick leave). (In accordance with the CFRA, sick leave can also be used for a serious health condition in a qualifying event.) An employee contemplating to be off work due to illness or injury for an extended period of two (2) weeks or more may be required to provide a comprehensive health statement as to the length of absence from the employee's health care provider stating any duties the employee cannot perform and any restrictions or light duty requirements. In such events, CFRA and sick leave shall run concurrent. The employee requesting sick leave shall notify his immediate supervisor or department head prior to the time set for reporting to work. Sick leave with pay shall not be allowed unless the employee has met and complied with the provisions of this Memorandum of Understanding and the Personnel Officer has approved such payment.

5. Sick leave may be used for absence reasonably required by complications of pregnancy, continuing through delivery and reasonable period of recovery therefrom, to be determined in accordance with written reports from the employee's physician, specifying the expected date of delivery and the date that the employee should cease work. In no event shall an employee return to work after pregnancy prior to a date fixed by her physician in a signed statement that she is physically able to perform the duties of her position. Every regular

employee shall be able to use accrued vacation, compensatory time, or holiday time when sick leave has been exhausted due to extended illness or injury unless they are on a medical certification program.

6. Under Labor Code Section 233, employees may use up to 50% of their annual sick leave accrued to attend to the illness of their child, parent, spouse, or registered domestic partner of the employee.

7. Sick leave shall not be abused. The City reserves the right to require a satisfactory statement of a licensed physician in the event of suspected abuse when an employee misses work due to an illness, injury or disability. The Personnel Officer may require a written statement from the attending physician or dentist, or a physician or dentist to whom the Personnel Officer directs the employee to report, to establish that the employee is or was incapacitated and unable to perform his duties, or that the employee is capable of and released to return to the performance of all of the duties of his position. The physician's statement must verify that an injury or disability existed, its beginning and ending dates and/or the employee's ability to return to work without presenting an immediate and significant risk to his own health or safety or the health and safety of others and any other requirement in accordance with the City's Sick Leave policy located in the Personnel Rules and Regulations. Abuse of sick leave shall be subject to progressive discipline.

8. Management may not require doctor's verification for sick leave of less than three (3) days unless sick leave abuse is strongly suspected and reasonably demonstrated.

9. City holidays occurring during sick leave shall not be counted as days of sick leave.

B. <u>Sick Leave Maximum Accrual and Cash Out for Employees Hired on or Before April 30, 2015</u>

1. <u>Current Employees – Hired on or before April 30, 2015</u>

a. Current employees may only accrue sick leave up to a maximum sick leave balance of:

400 hours for full-time employees
300 hours for part-time employees who work 26-39 hours per week
200 hours for part-time employees who work less than 26 hours per week

b. Sick Leave Accrual Leave Bank Maximum: Effective July 1, 2015, the City shall create two leave banks as described below:

i. June 30, 2015: As of the last pay date in June 2015, Payroll Services will calculate all sick leave accrued in accordance with existing and established practice. All time used by and including June 30, 2015 will be reconciled for a final balance of sick leave hours available as of June 30, 2015.

ii. July 1, 2015: Payroll services will establish two sick leave banks. One bank will be called Sick Leave Bank Y. The other bank will be called Sick Leave Bank New. The total number of hours memorialized as per the procedure described in XIV.B.b.i will determine the distribution of hours into the two Sick Leave Banks, effective as of July 1, 2015.

c. Sick Leave Bank Y:

i. This bank will be established for employees hired on or before April 30, 2015 who have a sick leave balance as of June 30, 2015. Payroll services will credit this bank with the total June 30, 2015 sick leave bank as memorialized in Article XIV.B.1.b.

ii. Employees may use any balance in *Sick Leave Bank Y* subsequent to June 30, 2015 if such balance exists, but only after exhausting any hours in *Sick Leave Bank New*.

iii. City shall, upon termination, layoff, or retirement, pay 100% of any remaining balance in *Sick Leave Bank Y.*

iv. In July 2018, City Payroll services shall calculate employees combined *Sick Leave Bank Y* and *Sick Leave Bank New* accruals for the last period in June 2018. The City shall cash out all accrued sick leave in excess of the employee's maximum, plus an additional 60 hours on the payroll date on or before July 31, 2018. The City shall cash out the excess sick leave from *Sick Leave Bank Y* first. If the excess pay out requires cash out of *Sick Leave Bank New*, City shall cash out these leaves at 50%.

The goal of this cash out program is to ensure that as of August 2018 employees shall not have a combined accrual sick leave bank of their maximum, minus 60.

d. Sick Leave Bank New:

i. A bank called Sick Leave Bank New will be established for all employees receiving sick leave accruals. All new sick leave accruals shall go into this bank. Any balance in *Sick Leave Bank New* shall count towards the maximum sick bank cap for that employee as set forth in XIV.B.1.a.

iii. Any sick leave usage occurring on or after July 1, 2015 will be taken out of the Sick Leave Bank New first; in the event that the Sick Leave Bank New is fully depleted, only then shall usage be taken out of Sick Leave Bank Y. In other words, newly accrued hours will be banked into and used out of Sick Leave Bank New first; time will be used out of *Sick Leave Bank Y* only when *Sick Leave Bank New* is fully depleted.

iii. City shall, upon termination, layoff, or retirement, pay 50% of any remaining balance in *Sick Leave Bank New.*

2. New Employees – Hired on or after May 1, 2015

a. Establishment of Maximum Sick Leave Balance. New employees may only accrue sick leave up to a maximum sick leave balance of:

400 hours for full-time employees
300 hours for part-time employees who work 26-39 hours per week
200 hours for part-time employees who work less than 26 hours per week

Sick leave accruals will be modified or suspended as necessary to insure that the maximum balance does not exceed these stipulated caps.

b. Upon termination, layoff, or retirement, new employees shall not be entitled to cash compensation for unused sick leave.

C. Jury Duty - An employee summoned for mandatory jury duty during normal working hours is considered on duty and will be paid his or her regular salary provided the City is given the opportunity to have the person excused, and provided any jury fees received by the employee are paid to the City. Paid jury duty leave is granted for a maximum of thirty (30) days. Evidence of jury duty attendance must be presented to the City. The employee must continue to report for work on those days or parts of those days when excused from jury duty or when jury duty does not conflict with the employee's work schedule. The employee must present a certificate of mandatory jury service to the Personnel Office in order to be eligible from compensation.

D. Bereavement - Full-time employees shall be entitled to bereavement leave pay for up to five (5) days of bereavement leave upon the death of a family member. Family, for purposes of Bereavement Leave, shall include: employee's parent (or stepparent, mother-in-law, father-in-law), spouse, son, daughter (or stepson, stepdaughter, son-in-law, daughter-in-law), brother, sister (or brother-in-law, sister-in-law), grandmother, grandfather, or grandchild, court appointed or other verifiable guardian, as approved by the Personnel Officer.

Full-time employees shall be entitled to two (2) days of bereavement leave with pay upon the death of: Aunt or Uncle, Niece or Nephew

Bereavement leave with pay shall not be deducted from sick leave. A full and part-time benefited employee may use accrued vacation or comp time to supplement such leave as long as the employee gains prior approval with proper authority.

Bereavement leave with pay shall be paid to all benefited part-timers in the event of the death of an employee's family member as defined. Benefited part-time employees shall be entitled to three (3) work days with pay; said hours, for each day, shall be equal to the number of hours the employee normally works on a daily basis.

Personal leave without pay may be granted only by the City Manager. It shall not be unreasonably denied.

When an employee no longer has sick leave remaining, other types of leave balances such as compensatory time and vacation time must be used. Only after all other leave balances are exhausted may an employee apply for leave without pay. Approval of an unpaid leave of absence shall be at the discretion of the City Manager.

ARTICLE XV. HOURS AND OVERTIME

A. The regular workday for full-time employees shall be eight (8) hours, five (5) days a week, Monday through Friday, except for employees in the Recreation Department and employees working in Code Compliance Officer or Parking Enforcement Officer classifications. The regular workweek shall be forty (40) hours.

Calculated eligibility for overtime shall be based on the FLSA definition (more than 40 hours of "actual work" in a week). In determining overtime, vacation, paid holidays, and compensatory time off taken during the week shall be considered as hours worked. Any other leaves of absence shall not be considered as hours worked for the purpose of calculating overtime. All employees shall be subject to be called for service at any time to meet any and all emergencies or unusual conditions which, in the opinion of the Department Head or designee, may require such service from any of said employees. In determining overtime, vacation and paid holidays taken during the week shall be considered as hours worked. Any leaves of absence and sick time shall not be considered as hours worked for the purpose of calculating overtime. Overtime shall be paid at the rate of time and a half (1 ½) for all hours worked over 40 in the workweek, and not eight (8) hours in a day when working a 9/80 schedule, as defined in accordance with FLSA law.

The City and the Union agree that this section is not intended to prevent the City and its employee's from mutually agreeing to alternative work schedules such as 4 days/10hours per day, 9/80 work schedules or flexible schedules throughout the workweek. The City and the Union further agree that if such voluntary schedule is worked out between the City and the Union for employees covered by this agreement, then there shall be no mandatory overtime payments for hours worked over 40 in a workweek. The City and the employee can agree to an alternative work schedule as referenced above.

B. Employees who are requested by the City to be on standby shall receive four (4) hours of regular pay or $60, whichever is higher, for every 24 hours on standby. Employees on standby must be able to report to the City within 30 minutes of the time the call is received by the employee.

For all other employees, not on standby, there shall be a minimum guarantee of two (2) hours pay when reporting to work.

C. Each employee shall receive a lunch period in accordance with Federal law. Such lunch period shall be uninterrupted, whenever possible.

D. If mutually agreed to by the employee and the City Manager, the employee may receive "compensatory time" as time off with pay in lieu of overtime pay for regularly scheduled or irregular or occasional overtime work. There shall absolutely be no coercion used to obtain mutual agreement. Requests for the use of accumulated compensatory time off shall be reasonably honored, taking into consideration the needs of the department.

E. "Compensatory Time" shall be earned and paid at time and a half (1 ½) for each hour worked.

F. "Compensatory Time" accumulation shall not exceed at any time 240 hours annually (calendar year) and may only carry forward a maximum of 80 hours of compensatory time into the next calendar year. Payouts shall be made annually in December of each year.

G. When employees compete for available overtime opportunities, such overtime shall be rotated in seniority order, provided that the employee is capable of performing the work. Overtime declined, with at least 48 hours advance notice, shall count as overtime worked for purposes honoring the rotation system, but shall not be paid.

H. In the event that employees decline the City's request to work overtime, the City may assign overtime in reverse order of seniority.

ARTICLE XVI. LAYOFF, RECALL, RESIGNATION AND REINSTATEMENT

A. If the City determines it necessary to layoff employees, all seasonal, temporary, and 14 hour or less part-time and contract employees, within the affected family of jobs, shall be laid off first. The provision does not apply to contract employees who are performing work not normally performed by bargaining unit members, such as an independent auditor. The order of layoff shall be determined within the family of jobs, as referenced in Appendix B.

A laid off or displaced employee in a layoff may displace ("bump") another employee in seniority order only:

1. Laterally to a classification within the family of jobs.

2. Down to a lower paid classification within the family of jobs.

3. Laterally or down to a classification of previous standing in another family of jobs (e.g. an employee who previously worked in another department in a position now represented by the Union).

An employee who has been laid off or displaced cannot "bump" upward.

When an employee in a layoff "bumps" down to a lower paid classification within the family of jobs, or to a classification of previous standing, the employee shall receive a step placement on the new salary range which will give the employee the least decrease in salary.

Employees must notify the City within 48 hours from the time they receive the layoff notice, of a decision to bump into another position.

C. An employee whose position has been eliminated shall be given 30 calendar days written notice prior to layoff or in lieu of 30 calendar days written notice, be paid 30 days severance pay. Copies of such written notices shall promptly be given by the City to the President and Union. The laid off employee's benefits will continue until the natural ending date of the normal provision of the benefit, based upon the 30 day notice period, regardless of whether the employee is given 30 days' notice or is given severance pay.

D. Recall from layoff shall be in direct order of seniority within the family of jobs. Seasonal, temporary and 14 hours or less part-timers shall be called back to work after employees in a previously held full-time status in their prior department, covered by this agreement. In accordance with the Personnel Rules and Regulations, employees may be reinstated with merit within two (2) years to a position in which they have the availability, qualifications, and experience to fulfill the requirements of the position. Examination may be waived and take precedent over established lists for reinstatement to the same position as long as the employee meets the qualifications for the position based on merit. Upon reinstatement, any employee so appointed shall be considered a new appointee and shall have no vested interest in or be entitled to reinstatement of any benefits accrued during any previous employment with the City. Reinstated employees will be entitled to seniority credit for previous employment. Reinstated employees shall be subject to the same level of benefits, terms and conditions of employment as new employees. Such termination shall not be subject to appeal.

E. Employees will assume the work hours of the position they acquire through the application of these layoff provisions. Employees will be required to wear the uniform or work attire for the position they bump into.

F. Resignation: When an employee resigns and is rehired within 30 calendar days of the last day paid by the City, such employee shall retain his or her seniority, title, step placement, vacation accumulation rate, anniversary date, and all other advantages gained under this agreement by extended service. In such an instance, this shall be called by the City a "reinstatement."

G. No management employees shall be allowed to bump into the bargaining units covered by this MOU.

ARTICLE XVII. TRANSFER, PROMOTION AND DEMOTION

A. Transfers, promotions, and demotions shall be conducted in accordance with the City's Personnel Rules and Regulations. Selection and promotion shall be consistent with the best interest of service and in accordance with the law and may involve any combination of written test, oral test, performance test, rating of education, certification, training and experience, and shall give preference to Veterans. Promotional lists shall expire once the hiring authority has determined that the list has been exhausted thereby possessing no other qualified candidates.

B. Whenever a vacancy occurs, the City shall post the opening on all four (4) Union bulletin boards for four (4) working days before the deadline for application.

C. Whenever possible, the City shall fill jobs by promotion from within the City if there are qualified candidates available. The selecting authority shall be given the names of the three (3) employees who stand highest on the promotion list for one (1) vacancy, and an additional name for each additional vacancy if more than one (1) position is to be filled at one time.

Where there are no recall rights existing, the selecting authority shall make the appointment from the three (3) employees standing highest on the promotion list, plus any legitimate transfer or demotion requests. Promotional lists shall remain in effect for six (6) months.

D. When an employee is promoted, he or she shall be advanced to the first step on the new salary range which provides at least a five percent (5%) raise. The next step advancement date shall be six (6) months from the date of promotion and shall occur yearly thereafter based on merit until the employee reaches the top of the salary range for her or his new classification. No employee shall be placed off step.

E. There shall be in-service workshops for all affected employees.

ARTICLE XVIII. PROBATION PERIODS

A. Regular appointment following a probationary period shall be conducted in accordance with the City's Personnel Rules and Regulations. This section and entire Article shall cover both full and part-time employees. The initial probationary period of one (1) year may be extended once to a maximum of a six (6) month extension, and must be approved by the Personnel Officer and department head. An employee who has not completed the initial probationary period may voluntarily promote, transfer, demote, or be reclassified. In such cases, employees who have not completed an initial probationary period do not hold status in their regular position for the purpose of "bumping" rights during a layoff. Computation of the initial probationary period in a paid status does not include overtime, standby, or military leaves of absence. A regular employee who has not completed the initial probationary period serves at the pleasure of the department head and may be released from employment without cause. Such an employee is not entitled to the Grievance and Arbitration Procedure in this MOU. The probationary period is extended by the length of any unpaid leave of absence, should an unpaid leave of absence be granted during the probationary period.

ARTICLE XIX. HEALTH & SAFETY

A. Employees and the City agree to comply with all applicable Federal and State laws which relate to health and safety. This shall include, but in no way be limited to, Sections B through E below.

B. First aid supplies shall be readily available for all employees.

C. Where the eyes or body of any employee may be exposed to injurious corrosive materials, suitable facilities for quick drenching or flushing of the eyes and body shall be provided within the work area for immediate personal use.

D. No employee shall be permitted to enter a confined space unless the City of Artesia can certify that the risk to the employee is consistent with the assigned duties of his or her classification.

E. Earthquake supplies and preparedness training shall be provided by the City. Bottled water, food, and medical supplies shall be located at every facility.

F. All persons who drive City vehicles shall be subject to the DMV driving record Pull Notice.

G. There shall be established a citywide safety committee with two (2) employees named by local AFSCME.

ARTICLE XX. DISCIPLINE AND DISCHARGE

A. Discipline and discharge shall be conducted in accordance with the City's Personnel Rules and Regulations. The City also reserves the right to place an employee on a Performance Improvement Plan ("PIP") when warranted. The City shall meet with the employee and allow him or her an opportunity to provide input as to the corrective action plan. An employee receiving a "PIP" shall have the right to provide a written rebuttal. The employee shall not be allowed to grieve or challenge the performance basis of the PIP. The City shall retain the right to determine the corrective action plan.

B. No employee shall be suspended for more than three (3) days, reduced in step placement, transferred or otherwise disciplined without just cause.

C. No employee shall be given a written reprimand, suspended for more than three (3) days, reduced in step placement, transferred or otherwise disciplined without just cause. Discipline may be imposed due to accident review. The City reserves the right to place an employee on paid administrative leave pending an investigation.

D. The City shall utilize polygraph examinations of employees only in a manner consistent with current State law.

E. The right of a public employee to a private life shall be protected, so long as an employee's private conduct has no impact on the employee's employment relationship with the City.

ARTICLE XXI. MISCELLANEOUS

A. This MOU supersedes all applicable policies and procedures of the City.

B. Nepotism. No person will be hired in any regular or temporary position who is a relative of an employee assigned to the same department, if either position could directly or indirectly supervise the other, or if the duties or responsibilities of the current employee could include the ability to affect the hours of employment, compensation, benefit levels or other terms or conditions of employment of the applicant. Relatives include an employee's parent(s), child, spouse, brother, sister, spouse's parent(s), step relationships, grandparents, grandchildren, aunts, uncles, nieces, nephews, and first cousins.

ARTICLE XXII. GRIEVANCE AND ARBITRATION PROCEDURE

A. Grievance and arbitration procedures shall be conducted in accordance with the City's Personnel Rules and Regulations. Any allegation by an employee or the Union that there has been a violation of this MOU or the City's Personnel Rules and Regulations shall be resolved in the following manner:

Step 1 Supervisor's Level: Discussed between the Union and the supervisor.

Step 2 Department Level: Discussed between the Union and the Department Head.

Step 3 City Manager's Level: Discussed between the Union president and business agent and the City Manager, or designee.

Step 4 Arbitration: Arbitration before an arbitrator, except in cases where there has been a violation of Article XV.B, in which case the decision of the City Manager shall be final.

B. Grievances shall be initially presented to the City at Step 1 by AFSCME within 14 calendar days from the occurrence of the dispute.

C. No grievance shall remain unresolved at any step after presentation for longer than seven (7) work days; after seven (7) work days, AFSCME shall have the right to take it to the next step and will have seven (7) work days to advance the grievance to the next step.

H. AFSCME shall act with reasonable dispatch at each step.

I. There shall be no reprisals of any kind against grievant(s) or participant(s) in the grievance process.

J. AFSCME may refer an unresolved grievance for arbitration to an arbitrator designated by the State Mediation and Conciliation Service in accordance with its Labor Arbitration Rules. The parties shall then proceed to hearing conducted by the arbitrator. The arbitration shall be conducted in accordance with the Labor Arbitration Rules of the American Arbitration Association.

K. Questions of arbitrability shall be decided by the arbitrator.

L. The Arbitrator's award shall be final and binding. The arbitrator shall have no power to add to or subtract from or modify any of the terms of this agreement. The fees and expenses of the arbitration shall be borne equally by the parties.

ARTICLE XXIII. UNION RIGHTS AND DUES DEDUCTION

A. The City of Artesia shall provide the AFSCME Local with four (4) bulletin boards at no cost to the budget of the City. These boards shall be located in:

a. City Hall Lounge
b. Community Center
c. Maintenance Shop (on Corby Avenue)
d. A.J. Padelford Park

B. Preparation time for a simple grievance shall not exceed one and a half (1 ½) hours and for a complex grievance shall not exceed three (3) hours; however, if more time is needed it shall be granted when reasonable.

C. The Union shall be entitled to an aggregate of 40 hours of paid release time each fiscal year for use by the Union President and/or other Union representatives as designated by

the Union President for the purpose of Union business. The Union shall give the City Manager a minimum notice of one (1) week in advance of the hours to be taken and certify that the release time is for Union business. The City Manager reserves the right to deny a request for time off if the requested time impacts City services.

D. The City recognizes the employee's right to representation by a Union officer at such time as the employer contemplates disciplinary action or any time thereafter. It shall be the responsibility of the employee to request that the Union officer be present.

E. An employee is entitled to review the content of their Personnel file. An AFSCME representative may assist such employee in reviewing the file. Material not in an employee's file at the time of a disciplinary action may not be used against an employee in any subsequent hearing. Any employee, or employees' representative with written consent and waiver of privacy rights, shall be entitled to review all of his/her personnel file. If an employee wishes to view his/her personnel file, employee will schedule an appointment with the Human Resources Department staff a minimum of 24 hours in advance of viewing time.

F. Only one official personnel file may be maintained by the City on each employee, which shall be kept by the Personnel Officer in City Hall.

G. All current and newly hired employees shall be required to receive their funds by direct deposit. Any current employees receiving a physical check shall receive payments on a pay card for up to twelve months. Replacement for lost or stolen cards shall be at the employee's expense.

H. Agency Shop Clause: Subject to the provisions set forth below, the City shall deduct and remit to the AFSCME biweekly service fees or dues, as appropriate, for fee payers/members of AFSCME.

Current employees who already are AFSCME members shall remain AFSCME members for the period of this MOU when working in a represented position. For employees who are hired on or after the effective date of this amendment, and are in a job classification covered by this MOU, the City, in conformance with the provisions of Government Code Section 3508.5(b), shall deduct the payment of service fees for AFSCME from the employees' biweekly paychecks. Furthermore, employees hired on or before July 2, 1986, shall, effective January 1, 2003, become a member of AFSCME or, pursuant to the provisions of Government Code Section 3508.5(b) the City shall automatically deduct the payment of service fees for AFSCME from the employee's biweekly paycheck.

Dues withheld by the City shall be transmitted to the AFSCME Officer designated in writing by AFSCME as the person authorized to receive such funds, at the address specified.

The parties agree that the obligations herein are a condition of continued employment for all members. The parties further agree that the failure of any member to remain a

member in good standing of AFSCME or pay the equivalent of AFSCME dues during the term of this MOU shall constitute, generally, just and reasonable cause for termination. The City shall not be obligated to put into effect any new, changed or discontinued deduction until the pay period commencing 15 work days or more after such submission.

No employee shall be required to join AFSCME or to make an agency fee payment if the employee is an actual verified member of a bona fide religion, body, or sect which has historically held conscientious objections to joining or financially supporting employee organizations; this exemption shall not be granted unless and until such employee has verified the specific circumstances. Such employee must, instead, arrange with AFSCME to satisfy their obligation by donating the equivalent amount to a non-labor, non-religion charitable fund, tax exempt under Section 501(c)(3) of the Internal Revenue Code (IRC), chosen by the employee.

Whenever a member is delinquent in the payment of dues or fees, AFSCME shall give the employee written notice thereof and fifteen (15) days to cure the delinquency; a copy of said notice shall be forwarded to the City's Personnel Officer. In the event the member fails to cure said delinquency, AFSCME shall request, in writing, that the City initiate termination proceedings. The termination proceedings shall be governed by applicable State laws.

The City shall not deduct monies specifically earmarked for a Political Action Committee or other political activities unless such deduction is affirmatively, separately and specifically authorized in writing by the member.

AFSCME shall keep an adequate itemized record of its financial transactions and shall make available annually to the City and, upon request to the employees who are members within 60 days after the end of its fiscal year, a detailed written financial report thereof in the form of a balance sheet and an operating statement, certified as to accuracy by its President and Treasurer or corresponding principle officer, or by a Certified Public Accountant. A copy of financial reports required under the Labor-Management Disclosure Act of 1959 or Government Code Section 3546.5 shall satisfy this requirement.

This organizational security arrangement shall be null and void if rescinded by a vote of employees affected in the unit pursuant to Government Code Section 3502.5(b).

AFSCME's indemnity obligation is more fully set forth as follows: AFSCME will defend, indemnify and hold harmless the City of Artesia from any loss, liability or cause of action arising out of the operation of this article. Upon commencement of any such legal action, AFSCME shall have the right to decide and determine whether any claim, liability, suit or judgment made or brought against the City because of such action shall or shall not be comprised, resisted, defended, tried or appealed. Any such decision on the part of AFSCME shall not diminish AFSCME's indemnification obligations under this MOU.

The City, immediately upon receipt of notice of such legal action, shall inform AFSCME of such action, provide AFSCME with all information, documents, and assistance necessary for AFSCME's defense or settlement of such action and fully cooperate with AFSCME in providing all necessary witnesses, experts and assistance necessary for said defense.

AFSCME upon its compromise or settlement of such action, shall immediately pay the parties for such action all sums due under such settlement or compromise. AFSCME, upon final order and judgment of a Court of competent jurisdiction awarding damages to any employee of the City, shall immediately pay to such employee all sums owing under such order and judgment.

I. Negotiations for a successor agreement shall begin no later than January 5, 2019.

ARTICLE XXIV. SAVINGS AND AMENDMENT

Any of the rights, powers, or authority the City had prior to the signing of this agreement are retained by the City, except those abridged, delegated or modified by this agreement, and then only to the extent that they are so abridged, delegated, or modified, provided that such management rights do not restrict employees from filing grievances.

ARTICLE XXV. NO STRIKE

A. The Union, its officers, agents, representatives and/or members agree that during the term of this Agreement, they will not cause or condone any strike, walkout, slowdown, sickout or any other job action by withholding or refusing to perform services when scheduled. Employees who strike may be subject under City Resolution 1283 to discipline up to and including termination by the City under the provisions of the agreement.

B. The City agrees that it shall not lock out its employees during the term of this Agreement. The term "lockout" is hereby defined so as not to include the discharge, suspension, termination, 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 Agreement or applicable ordinance or law.

   Any employee who participates in any conduct prohibited in Section "A" above may be subject to termination by the City.

C. The City will not engage in a lockout of employees during the term of this agreement.

APPENDIX A

GENERAL UNIT

Administrative Analyst
Associate Planner
Planning Clerk
Planning Aide
Office Specialist
Receptionist

Accounting Technician II
Assistant Planner
Code Compliance Officer
Parking Enforcement Officer

Maintenance Specialist II
Maintenance Specialist I
Maintenance Worker II
Maintenance Worker I

Recreation Program Coordinator
Recreation Leader II
Recreation Leader I
Recreation Aide

APPENDIX B

FAMILY OF JOBS

Administrative Analyst Associate Planner Planning Clerk Planning Aide Office Specialist Receptionist

Accounting Technician II Assistant Planner Code Compliance Officer Parking Enforcement Officer

Maintenance Specialist II Maintenance Specialist I Maintenance Worker II Maintenance Worker I

Recreation Program Coordinator Recreation Leader II Recreation Leader I Recreation Aide

FOR THE CITY OF ARTESIA:

William Rawlings, City Manager — Date: 6-8-15

Justine Menzel, Deputy Director, CFO — Date: 4-27-2015

FOR AFSCME:

Kathrin Wardle, President — Date: 4-27-2015

Patricia Castaneda, Committee Member — Date: 4-27-15

Victor Lourenco, Committee Member — Date: 4-30-15

Adam Acosta, Business Agent — Date: 6-2-15

APPROVED AS TO FORM:

Labor Negotiator for City, Attorney — Date: 5/14/15