MEMORANDUM OF UNDERSTANDING

Between

THE CITY OF MILLBRAE

and

THE SANITATION WORKERS DIVISION OF

TEAMSTERS UNION LOCAL 856

for the period

July 1, 2015 through June 30, 2018

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INTRODUCTION

The Sanitation Workers Division of TEAMSTERS UNION LOCAL 856 and representatives of the City of Millbrae have met and conferred in good faith regarding wages, hours and other terms and conditions of employment for represented employees; have freely exchanged information, opinions and proposals; and have endeavored to reach agreement on all matters relating to the employment conditions and employer -employee relations of such employees.

This Memorandum of Understanding is entered into pursuant to the Meyers-Milias-Brown Act and has been jointly prepared by the parties.

I. CITY/EMPLOYEE ORGANIZATION RIGHTS

Recognition/Unit Determination/Classes Covered - The Sanitation Workers Association, hereinafter referred to as the "Employee Organization" is recognized as the exclusive representative, as provided in City of Millbrae Employer-Employees Relations Resolution 69-53 for the following employee classifications:

- Senior Treatment Plant Operator
- Treatment Plant Operator II
- Treatment Plant Operator I/Operator in training
- Lab Analyst (Technician)
- Senior Industrial Waste Inspector
- Industrial Waste Inspector II
- Industrial Waste Inspector I
- Industrial Waste Inspector Trainee
- Senior Plant Maintenance Worker
- Plant Maintenance Worker II
- Plant Maintenance Worker I
- Laboratory Chemist
- OIT/ Lab Tech

B. Employee Organization Rights

Notice to Employee Organization/Management - The employee organization shall be given reasonable advance written notice of any ordinance, resolution, rule or regulation directly relating to matters within the scope of representation proposed to be adopted by the City and shall be given the opportunity to meet and confer with the appropriate management representatives prior to adoption.

An authorized representative of the employee organization shall be allowed to visit the work location for the purpose of ascertaining whether or not this Memorandum of Understanding is being observed. This right shall be exercised reasonably. An authorized representative of the employee organization shall report to management before proceeding to the work location. He/she shall not interfere with the normal conduct of work.
Bulletin Board - The employee organization shall be provided with suitable space on bulletin boards at each work location for posting notices concerning official employee organization business.

List of Employees - The City shall furnish the Employee organization with a copy of the Personnel Action Form listing the name, classification, and date of hire of any employee newly assigned to the unit and/or any employee leaving the unit. In addition, as a part of new hire personnel processing, the City shall provide the new employee with the name of his/her department's employee organization stewards, who shall be given the opportunity to discuss employee organization issues with the newly hired employee. In no event, shall representatives of the City advise new hires whether they should or should not join the employee organization; instead City management/ supervisors shall maintain a neutral position with respect to expressing personal views on employee organization membership questions.

Management Rights - It is understood and agreed that the City retains its powers and authority to direct, manage and control all affairs of the City to the full extent of the law.

No Strike/No Lockout - The employee organization agrees that during the term of this agreement, it will not conduct, call, condone, nor request that the employees of this unit engage in a strike, work-slowdown, or any form of concerted activity which requires the employees to absent themselves from employment with the City.

C. Stewards/Organization Representatives/Personnel Records

Stewards/Organization Representatives - The employee organization shall be entitled to two (2) stewards who restrict their activities to those issues related to employee representation and issues arising out of employer/employee relations as may be defined by applicable law and shall be allowed a reasonable amount of time for this purpose. The employee organization shall notify the City Manager/Personnel Officer in writing of the names of the stewards.

Stewards shall obtain permission from their supervisor before leaving their workstations to resolve grievances. This provision shall not be used to prevent the Stewards from performing their duties or obligations set forth in this Section; provided, however, that use of time for this purpose shall be reasonable.

Whenever an employee is required to meet with a supervisor or other management official and the employee reasonably anticipates that such meeting will involve questioning leading to disciplinary action, the employee shall be entitled to have an employee organization representative present upon request. In the event the employee desires the presence of an employee organization representative, the City will contact the representative to arrange a mutually acceptable time and day to hold the meeting.

Personnel Records - An employee or upon presentation of written authorization from the employee, the employee's representative, shall have access to the employee's general personnel file upon request, as long as the file is not removed from the City Manager's Office. Employee access to personnel records shall not include records relating to the investigation of possible criminal offense, or letters of reference, ratings, reports or records that were obtained prior to the employees employment, prepared by identifiable examination committee members, or obtained in connection with a promotional examination. An employee's medical personnel file shall only be accessible to the employee and his/her representative under the conditions identified in the City's Privacy of Medical Records Act, a copy of which is attached for reference purposes only as Exhibit "B".

Association members shall be provided a copy of any information entered into their personnel files. Responses shall be made a part of the personnel file.

II. GENERAL TERMS OF EMPLOYMENT

Equal Employment Opportunity Reference - Discrimination against any person or entity in the delivery of any aspects of City services and programs on the basis of race, religious creed, color, national origin, ancestry, physical and mental disabilities, medical condition, marital or parental status, age, sex, sexual orientation, gender identity, membership status in the employee

organization, perception of membership in any protected category, association with a person/entity who is a member of a protected category, or any other basis protected under state or federal law is prohibited and will not be tolerated.

Transfers, Promotion, Temporary Assignments - An employee may file a written request with the Personnel Officer/City Manager requesting transfer from one position to another in the same or comparable class. The approval or denial of such requests is solely within the discretion of the Personnel Officer/City Manager. Any such transfer shall not be deemed to constitute a promotion, demotion, advancement or reduction.

Unit members shall be given first consideration for filling any vacancy by way of transfer, provided such person is competent and qualified to perform the duties of the vacant position.

A. Seniority/Layoff/Recall

Definition - Seniority for purposes of layoff is defined as length of continuous paid employment with any permanent classification of the City. Provided, however, although seniority shall be retained during any period of authorized leave without pay, seniority shall not accrue.

Order - When one (1) or more employee(s) in the same classification are to be laid off for lack of work, purposes of economy, curtailment of positions or other reasons, the order of layoff shall be as follows:

a. Provisional employees in the order to be determined by the appointing power.

b. Probationary employees in the order to be determined by the appointing power.

c. Permanent employees in inverse order of seniority within the classification being reduced. Whenever two (2) or more employees have identical seniority, performance rating shall be determinative.

Notice - An employee to be laid off shall be so notified in writing by the appointing power at least forty-five (45) calendar days prior to the effective day of the layoff.

Transfer - Prior to the effective date of a layoff, the proposed employee to be laid off will be allowed to transfer to a vacant position in the same classification in any department in conformance with the following:

d. In the event there are no vacant positions in the same classification in any department, an employee will be offered a vacant position in any classification at the same or lower level

within the same series in which permanent status had formerly been held by said employee.

e. In the event there are no vacancies in the same classification or in any classification at the same or lower level, the employee shall have the right, upon request, to be returned to any classification in the City at the same or lower level within the same series in which permanent status had formerly been held.

Employees who have bumping or displacement rights must declare their intention to exercise these rights at least forty (40) calendar days prior to layoff, otherwise bumping or displacement rights will automatically terminate. To successfully bump or displace another employee, the employee must be fully qualified, trained and capable of performing all work in the new classification.

An employee who is bumped or displaced by an employee having more seniority shall be laid off in the same manner prescribed by this rule.

Refusal - In the event an employee is not reassigned in lieu of layoff as set forth above in Section II, C., 4., a. and b., the employee shall be laid off. If any employee elects not to exercise the rights as set forth above in Section II, C., 4., a. and b., the employee shall be deemed to have been offered and to have declined such work.

Computation - For purposes of computing total service when reassigned pursuant to subparagraphs (2) or (4) of Section II, C., the employee shall be given credit for all time served in the classification the employee is leaving, plus any time previously served in the series to which the worker is being reassigned.

Re-employment - The names of persons who are laid off or who through bumping changed classification shall be entered upon a re-employment list in seniority order. The person with the highest seniority on a re-employment list for a particular classification, when a vacancy exists in that classification, shall be offered the appointment. No name shall be carried on a re-employment list for a period longer than two (2) years from the date of separation from City service or change of classification through bumping. Refusal to accept the second offer of re-employment within the same classification shall cause the name of the person to be dropped from the re-employment list.

Reinstatement - Upon re-employment of an employee from a re-employment list, all benefits acquired by the employee prior to his/her layoff shall be reinstated. Employees shall not receive credit for time during layoff in computing time for any benefit entitlement.

Discipline/Discharge - This section refers to the grievance procedure, which is subject to the "meet and confer" process. The steps which are to be utilized in this process are detailed in Personnel Rules and Regulations 14 & 15, which are attached as Exhibit "D" and are hereinafter incorporated.

Workers' Safety - Both the City and the employee organization shall expend every effort to ensure that work is performed with a maximum degree of safety, consistent with the requirement to conduct efficient operations.

Each employee covered by this Memorandum of Understanding agrees to comply with all safety rules and regulations in effect and any subsequent rules and regulations that may be adopted. Employees further agree that they will report all accidents and safety hazards to the appropriate management official immediately. Any employee having knowledge of or who is a witness to an accident shall, if requested, give full and truthful testimony as to the same.

The City shall continue to supply employees with safety equipment required by the City and/or CAL OSHA. All employees shall use City supplied safety equipment only for the purposes and uses specified under applicable safety rules and regulations.

III. COMPENSATION AND HOURS OF WORK

Wages – Salary ranges for represented classifications effective during the term of this Memorandum of Understanding shall be as set forth in Exhibit "A" which is hereinafter incorporated. Employees occupying one of the classifications covered by this Memorandum of Understanding shall be paid a salary within the range established for that classification.

The wage increases for years 2 and 3 of the contract are subject to the following revenue triggers:

The second year wage increase goes into effect on July 1, 2016, if and only if the combined revenue to the city from property taxes, sales taxes and Transient Occupancy Tax (TOT) increases in fiscal year 2016 (July 1, 2015 through June 30, 2016) by at least 3% over the prior fiscal year. If the combined revenue to the city from property taxes, sales taxes, and TOT does not increase by at least 3% when compared to fiscal year 2015 (July 1, 2014 through June 30, 2015) the second year wage provision of the MOU will be reopened for negotiations by the parties.

The third year wage increase goes into effect on July 1, 2017, if, and only if, the combined revenues to the city from property taxes, sales taxes, and TOT increases in fiscal year 2017 (July 1, 2016 through June 30, 2017) by at least 6% over the combined revenues to the City from these three revenue sources during fiscal year 2015 (July 1, 2014 through June 30, 2015). If the combined revenues to the city from property taxes, sale taxes, and TOT does

not increase by 6% when compared to fiscal year 2015 the third year wage provision of the MOU will be reopened for negotiations by the parties.

A. Hours and Overtime

Hours of Work - The regular work week for employees occupying full-time positions shall consist of a forty (40) hour work week and eight (8) hour days. One fifteen (15) minute rest break shall be observed during each one-half (1/2) of the workday. It is recognized that the City retains the right to hire an employee upon the condition that the employee's work week may be different than generally applied. Exceptions to this section may be made only with agreement between the parties to this Agreement and the employee.

Should management need to change the regular work hours to accomplish a specific task, a one-week notice will normally be given to schedule the new hours. If schedules are changed in a shorter period of time, the employee is entitled to extended day pay, at the rate of time and one-half for work beyond the regular eight-hour shift, except under the following emergency conditions: earthquake, major winter flooding, major civil disasters, and actual or possible NPDES regulatory permit violations have occurred or may occur.

Overtime - Authorized work performed in excess of forty (40) hours in one (1) week or in excess of eight (8) consecutive hours in one (1) day (inclusive of a paid lunch period) shall constitute overtime.

An employee required to work in excess of the regularly scheduled hours of work, as defined in the preceding paragraph up to and including twelve (12) consecutive hours of such work, shall be compensated for each overtime hour so worked at the rate of one and one-half (1-1/2) times the employee's regular straight-time rate of pay. (Note: An employee required to work in excess of eight (8) hours and up to and including twelve (12) hours on a holiday, will be paid at the rate of one and three-quarter (1 3/4) times of straight pay)

An employee required to work hours in excess of twelve (12) hours shall be compensated for each overtime hour so worked at the rate of two (2) times the employee's regular straight-time rate of pay.

Call Back - An employee recalled to work or when subpoenaed outside of and not continuous with regularly scheduled hours post-shift shall be paid a minimum of three (3) hours at the rate of one and one-half (1-1/2) times the employee's regular straight-time rate of pay. Scheduled overtime is not considered call back and the three-hour minimum specified above does not apply.

An employee who is recalled to work as defined above will be compensated at the current IRS mileage rate for each mile the employee is required to use his or her own personal car to travel from portal to portal. In the event a member is called back to work while on approved scheduled vacation, he/she shall receive compensation at time and one half (1-1/2) their regular rate of pay for all hours worked during these days that were scheduled vacation.

Standby - An employee who is required to be within forty-five (45) minutes of travel time to the Waste Water Treatment Plant in order to respond to an emergency or otherwise an after-hours work call out, shall receive standby duty compensation.

During an employee's assignment on standby, the employee is expected to refrain from taking any substances, whether it is alcoholic beverages, or prescription or other medications that would impair the employee's ability to respond and perform any work tasks.

The standby rates shall be as follows per day:

Standby	Standby	Standby
Weekdays	Days off	Holidays
$38.56	$49.01	$51.64

Mileage Allowance - Mileage reimbursement, when applicable, shall be provided at the rate specified by the Internal Revenue Service, when an employee is required to provide transportation for his/her job for each mile such employee is required to use his or her personal vehicle, excluding miles traveled getting to and from the workplace.

Leave - Holiday, vacation, sick leave, funeral leave or any other type of paid time off shall count as time worked for the purpose of this section.

Reimbursement of Off-Duty Education Expenses - Employees shall be eligible for reimbursement for costs of tuition, registration fees, books and supplies and other educational expenses incurred with enrollment and successful completion of job related course work. The job related nature of; and need for, such course work shall be validated in advance of enrollment by the department head. If the department head determines that the employee's course work is not job related, the employee shall be notified immediately of the incompatibility of the request.

An employee shall be eligible to receive reimbursement not to exceed Five Hundred Dollars ($500.00) per fiscal year, provided that the course work requires attendance at an accredited college or university, is part of a

curriculum leading to a degree and sponsored by an accredited institution of learning, and is approved in advance of enrollment by the department head.

In order to be eligible for reimbursement, a grade of "C" or higher must be earned for each course. Any eligible course, for which no letter grade is given, must be completed with a "pass" or "credit" score for such course.

Proof of enrollment and successful completion of courses will be required for reimbursement either in the form of semester report cards or official college transcripts.

Payroll Periods and Paydays - The City of Millbrae currently has a bi-weekly payroll. Paydays are on alternating Fridays. Employees hired after July 1, 2009 must enroll in and shall be paid by direct deposit.

B. Advancement/Probation/Evaluations

Advancement - Salary step advancement shall not be automatic, but shall be made only upon recommendation of the employee's department head and approval of the Personnel Officer/City Manager. After the hire or promotion date, after the completion of six (6) months of satisfactory, continuous service at the initial salary rate into which the employee was hired, he or she shall become eligible for advancement to the next succeeding salary step upon the recommendation of his or her department head and approval of the Personnel Officer/City Manager. An employee becomes eligible for subsequent advancements only upon completion of one (1) year of satisfactory, continuous service, from the effective date of the six (6) month step increase above. Each subsequent advancement shall be made only upon the recommendation of the employee's department head and approval of the Personnel Officer/City Manager.

Upon reaching step five (5), an employee shall continue to be paid at the rate provided for such step, provided he/she performs satisfactorily.

The eligibility periods specified above may be modified upon special recommendation by the employee's department head and approval by the Personnel Officer/City Manager where said employee is deemed to have demonstrated extraordinary ability and performance.

1. Probation

a. **Duration** - All unit employees are subject to a probationary period of not less than twelve (12) months following all original and promotional appointments The probationary period is automatically extended by the length of any authorized leave(s) of absence (paid or unpaid) of fifteen (15) days or more.

b. **Rejection** - During the probationary period, an employee may be rejected at any time without cause and without the right of appeal upon written notification to the employee. If the department head of the probationary employee fails to file a statement with the Personnel Officer/City Manager recommending retention of such employee, the employee will be deemed to be unsatisfactory and his employment shall be automatically terminated at the expiration of the probationary period.

c. **Promotional Probation** - An employee who is rejected from a promotional position in the Classified Service shall be reinstated to a position in the class from which the promotion was made unless the rejection results in dismissal from City service. Where rejection results in dismissal, the employee shall have the right to appeal such action in accordance with Personnel Rule and Regulation 15 and shall be furnished advance notice pursuant to Personnel Rule and Regulation 14.

Evaluations - In the case of either an original or promotional appointment, the City shall provide at least one formal evaluation during the probationary period in conformance with the requirements of Personnel Rule and Regulation 12 (see Exhibit "D") and current administrative procedures.

C. Special Pay/Compensation

Acting Duties - An employee may be assigned to acting duty outside of his/her classification. Upon assignment of acting duty status, an employee will begin to earn a salary which is equal to Step A of the salary assigned to the acting position(s), but shall at all time receive at least five percent (5%) above the salary of the salary of the employee's permanent position. Said compensation shall be paid for assignments of at least one (1) hour and shall be paid for the actual hours worked in the acting position

An employee assigned by the City to perform a long term (at least six (6) months of continuous service in the position) acting assignment in a higher classification will be slotted in the tenure step for the acting position that is at least 5% above the pay rate for the employee's lower classification as stated above. After the employee begins the acting assignment he/she will receive tenure step increases in the higher classification in accordance with the employee's tenure in the lower classification. When the acting assignment ends, the employee will return to the tenure step in the lower classification he/she would have achieved if he/she had not worked the acting assignment in the higher classification.

Compensatory Time - Compensation time off at time and one-half times (1-1/2) hours actually worked may be taken in lieu of paid overtime, subject to the approval of the Department Head and the Personnel Officer/City Manager, up to a limit of one hundred (100) hours at any one time. The employee shall provide the City with a request in a reasonable time before taking such time off. The final determination and scheduling of such time off shall be vested with the City, however the City shall grant reasonable requests unless the compensatory time off will unduly disrupt the operations of the agency.

1. **Over-certification Incentive**

a. Effective January 1, 2006, a certification plan for the Plant Operator Classification series and a separate provision for the Chemist, Industrial Waste Inspector, and Plant Maintenance Worker series will be implemented. Depending upon the classification and certification of the affected employee, incentive pay would be 2.5% for a CWEA technical certification above the level required by the job classification, and an additional 3% for obtaining two levels above that required by their job classification.

b. Treatment Plant Operators that received a State Plant Operator Grade certification above what is required by their job classification would receive 5% for one level above; an additional 5% for two levels, and an additional 5% for three levels of State certification, as set forth below.

i. Any certified operator who obtains State certification one level above that required for their assigned job classification (i.e. a Treatment Plant Operator Grade II obtains grade III operator certification) will receive an ongoing incentive equal to 5% of base monthly salary, subject to annual review wherein the employee provides the State issued certificate showing higher level certification, completion of the performance checklist, a meets expectations personnel evaluation rating, recommendation by the Treatment Plant Superintendent, approval and recommendation by the Director of Public Works, and concurrence by the Director of Human Resources.

ii. Any certified operator who obtains State certification two levels above that required for their assigned job classification (i.e. a Treatment Plant Operator Grade II obtains grade IV operator

certification) will receive an ongoing incentive equal to an additional 5% of base monthly salary, subject to annual review wherein the employee provides the State issued certificate showing higher level certification, completion of the performance checklist, a meets expectations personnel evaluation rating, recommendation by the Treatment Plant Superintendent, approval and recommendation by the Director of Public Works, and concurrence by the Director of Human Resources.

iii. Any certified operator who obtains State certification three levels above that required for their assigned job classification (i.e. a Treatment Plant Operator Grade II obtains grade V operator certification) will receive an ongoing incentive equal to an additional 5% of base monthly salary, subject to annual review wherein the employee provides the State issued certificate showing higher level certification, completion of the performance checklist, a meets expectations personnel evaluation rating, recommendation by the Treatment Plant Superintendent, approval and recommendation by the Director of Public Works, and concurrence by the Director of Human Resources.

IV. BENEFITS

A. Insured Benefits

1. Medical Plan Eligibility

All regular employees covered by this MOU shall be enrolled in the health and welfare benefits provided by this Section and currently authorized for this bargaining unit. Eligible dependents of a regular employee shall be permitted to participate in any health and welfare benefit provided in this Section to the extent authorized by the benefit plan.

2. Medical Insurance Benefits Transition

During the term of the MOU, the City agrees to transition covered employees from the California Public Employees Retirement System (CalPERS) to the TEAMSTERS Union Local 856 Health and Welfare Trust for the purpose of providing employees and their eligible dependents with medical insurance benefits.

3. Cafeteria Plan

For the duration of the MOU, the City agrees to maintain a Cafeteria Plan, pursuant to Section 125 of the Internal Revenue Code, for the purpose of providing employees with access to various health and welfare benefits. Benefits available through the Cafeteria Plan currently include medical and dental and vision insurance.

The City agrees to provide a Cafeteria Plan Allowance to all employees eligible to participate in City-sponsored health and welfare benefits.

Effective September 1, 2015 and on July 1st of each year thereafter, the city's contribution to Teamsters Health/Dental Plan will be a dollar amount equal to 90% of the CalPERS Bay Area Region Kaiser Permanente, Employee plus 2 dependents, monthly premium rate for the plan year that goes into effect the following January. (The same Plan Years i.e. 2016-Teamsters Plan Year (July 1, 2015-June 30, 2016) equals 2016 Kaiser Permanente Plan Year (January 1, 2016-December 31, 2016), plus $50.00. If, in the second or third year of the contract, the CalPERS Bay Area Region Kaiser Permanente, Employee plus 2 dependents monthly premium decreases compared to the previous year, the City will continue to contribute an amount equal to 90% of the CalPERS Bay Area Region Kaiser Permanente premium for the prior year, plus $50. If, in the third year of the contract, the City's revenues from the three sources described above, is not achieved but, the City's revenues increase by at least 4% over fiscal year 2015, the City will increase its additional contribution to the Teamsters' Health and Welfare Trust from $50 per month, per employee to $100 per month, per employee.

Employees who can demonstrate coverage under a comparable health insurance plan and, who are otherwise eligible, may elect to opt-out of the City's Teamsters' Health and Welfare Trust health insurance program.

If the employee opts-out of the health insurance program, the City will pay the Teamsters' Health and Welfare Trust an amount equal to 35% of the composite premium rate for the current health insurance program that includes the "no co-pay" prescription plan.

If the employee opts-out of the health insurance plan, the City will pay that employee an amount equal to 15% of the composite premium rate for the current health insurance program that includes the "no co-pay" prescription plan.

An eligible employee may opt-out of the Teamsters' Health and Welfare Trust's "no co- pay" prescription plan and elect coverage under a

prescription plan with a $10/$20 co-pay.

A part-time regular employee in the classified service is defined as an employee working an average of less than thirty-five (35) hours per week and an average of twenty (20) hours or more per week. These employees will be eligible for benefits on a pro-rata basis.

For particulars of coverage, see appropriate pamphlets and contracts. Note that some plans also include various levels of vision coverage.

4. Plans

The city's sole and exclusive obligation under this subsection shall be to make payments to the TEAMSTERS Health and Welfare Trust on behalf of unit members as set forth in this Memorandum of Understanding.

The TEAMSTERS Union Local 856 shall hold the City of Millbrae harmless, and shall fully and promptly reimburse the City for any fees, costs, charges, or penalties incurred in responding to or defending against any claims, disputes, challenges, whether formal or informal, which are actually brought, or attempted or threatened to be brought, against the City or any of its agents or employees in connection with providing benefits pursuant to the TEAMSTERS local Union 856 Health and Welfare Trust and/or any of its affiliates. Such reimbursement shall include but not be limited to court costs, litigation expenses and attorney's fees incurred by the City.

5. Life Insurance

During the term of this Memorandum of Understanding, the City will pay the full cost of providing equal to one (1) times the base annual salary, rounded to the next highest thousand dollars ($1,000), including AD&D coverage.

6. Disability Insurance

During the term of this Memorandum of Understanding, long-term disability coverage will be provided through the State Disability Insurance Program at represented employees' expense.

7. Pension

The City's contract with California Public Employees' Retirement System includes the following provisions:

- 2.7% at 55 Retirement Formula effective December 17, 2006
- Employee Contribution is 8.0% of all earnings, plus employee cost share of 5.5% of all earnings in accordance with Government Code § 20516(a). The employee will pay the full cost of the employee's contribution to the State Public Employee Retirement System (PERS). Increased costs for the retirement program will be deducted from employees pay as determined by the PERS actuarial report.
- One year final compensation
- Service Credit for unused Sick Leave
- Military Service Credit Option
- Retiree Death Benefit $500
- Retiree Allowance to Survivor
- Public Service Credit for Layoff Option
- Pre-Retirement for Spouse of active member who died
- Military Retiree Service Credit Option
- 1959 Survivor Benefits (Level 4)
- Peace Corps Service Credit Option
- Conversion of the 7% PERS Employer Paid Member Contribution to the base salary of all covered employees became effective January 1, 2006. At that time, the covered employee began to pay the 7% PERS member contribution. The City implemented the IRS 414 (h) 2 provision allowing tax deferral of these contributions, which are now being paid by the employee.

Effective January 1, 2013, the city has implemented the 2.0 @ 62 PEPRA Retirement Formula for non-classic members as determined by law. Such implementation was the result of State law. All employees subject to PEPRA will be required to contribute toward the cost in accordance with the PERS statute

8. Retiree Medical Contribution

The City shall pay to the TEAMSTERS Health and Welfare Trust the amount of $60 per employee per month for the funding of retiree

medical. Such funding is in consideration of the loss of the minimum contribution for retiree medical through the CalPERS Health program.

B. Holidays

Holidays - Regular full-time employees shall be entitled to observe all authorized holidays at full pay, not to exceed eight (8) hours in any one (1) day.

If a holiday falls on a Sunday, such holiday shall be observed on the following Monday. If a holiday falls on a Saturday, such holiday shall be observed on the preceding Friday. If a holiday falls on a regularly scheduled day off, such holiday shall be observed on the most convenient day adjoining said holiday.

An employee shall provide as much advance notice for the use of floating holidays as possible, but in no case less than two (2) weeks advance notice. Requests for use of floating holidays shall be made in accordance with procedures used for compensatory time off.

a. The classifications of Lab Analyst (Technician), Senior Industrial Waste Inspector, Industrial Waste Inspector II, Industrial Waste Inspector I, Senior Plant Maintenance Worker, Plant Maintenance Worker II, Plant Maintenance Worker I, Laboratory Chemist, and OIT/ Lab Tech shall receive the following authorized holidays as set forth below:

EVENT	DATE
New Year's Day	January 1st
Martin Luther King Day	3rd Monday in January
President's Day	3rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	1st Monday in September
Veteran's Day	November 11th
Thanksgiving Day	4th Thursday in November
Day after Thanksgiving	4th Friday in November
Christmas Day	December 25th

The classifications identified in this Section IV.B.1.a. in a paid status on July 1st of their first year of employment shall be entitled to three (3) floating holidays per fiscal year. Unit members employed after July 1st shall not be entitled to floating holidays until the following July 1. Thereafter, the classifications identified in this Section IV.B.1a. shall be entitled to three floating holidays for each fiscal year.

b. The classifications of Senior Treatment Plant Operator, Treatment Plant Operator II, Treatment Plant Operator I/Operator in Training shall receive the following authorized holidays:

Event	**Date**
New Year's Day	January 1st
Martin Luther King Day	3rd Monday in January
Lincoln's Birthday	February 12
President's Day	3rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	1st Monday in September
Admission Day	September 9
Veteran's Day	November 11th
Thanksgiving Day	4th Thursday in November
Day after Thanksgiving	4th Friday in November
Christmas Day	December 25th

Senior Treatment Plant Operator, Treatment Plant Operator II, and Treatment Plant Operator I/Operator in Training in a paid status on July 1st of their first year of employment shall be entitled to one (1) floating holiday per year two (2) after a holiday has been selected above that has not been used by the unit). Unit members employed after July 1st shall not be entitled to this holiday until the following July 1. Thereafter, the Senior Treatment Plant Operator, Treatment Plant Operator II,

Treatment Plant Operator I/Operator shall be entitled to one floating holiday for each fiscal year.

Work Performed on a Holiday - Any regular full-time employee who is required to work on any of the holidays specified in Section IV, B, 1 above shall, in addition to receiving regular pay for such holiday, be paid one and one-half (1-1/2) times the employee's regular straight time rate of pay for all hours actually worked on such holiday. The rate of one and three-quarters (1-3/4) times will be paid between the eighth (8th) and twelfth (12th) hour.

Holiday During Vacation - In the event any of the holidays specified in Section IV, B, 1 above occurs while an employee is on vacation, the holiday shall not be charged to vacation.

C. Vacation

Accrual - Vacation for regular full-time employees shall be accrued in accordance with the following:

Length of Service	Vacation Earned
1 - 5 years	12 days
6 - 10 years	15 days
11 - 15 years	18 days
16 years	19 days
17 or more years	20 days

Regular full-time employees shall not be permitted to use vacation leave until they have completed an initial six (6) months of employment at which time they shall be entitled to use forty-eight hours (48) hours of vacation leave. The maximum amount of vacation leave that an employee may accumulate is two hundred eighty (280) hours. Vacation accrual temporarily stops for any employee that exceeds the two hundred eighty (280) limit on December 31st until the employee reduces their accrued vacation leave below two hundred eighty (280) hours.

Employees shall manage their vacation scheduling consistent with their Department's policies concerning vacations.

Pay Upon Termination - Employees who terminate employment shall be paid in a lump sum for all unused vacation leave, including pro-rata accrual for less than one (1) full year of service, accrued in accordance with the provisions of this Section prior to the date of termination. No

payment shall be made for unused vacation leave contrary to the City's Personnel Rules and Regulations.

D. Sick Leave/Related Use of Sick Leave

Sick Leave - Sick leave with pay shall accrue at the rate of one (1) 8-hour work day for each calendar month of service for regular full-time employees. Sick leave shall not be considered as a privilege, which an employee may use at his/her discretion but shall be allowed only in case of actual sickness or disability. Unused sick leave shall be accumulated at the rate of twelve (12) days (ninety-six (96) hours) per year for regular full-time employees.

Employees will be allowed to use accumulated sick leave time in increments of fifteen (15) minutes, only for doctor or dentist appointments that could not otherwise be scheduled during the employees off duty hours.

In order to receive compensation while absent on sick leave, the employee shall notify the on-duty supervisor, if possible, prior to beginning his/her daily duties but, in any event, no later than four (4) hours after the time set for beginning his/her daily duties. An employee may be required to submit a physician's certificate stating the cause of the absence of less than four (4) days. In such circumstances the City will notify the employee of this requirement in writing in advance such certificate will be required to be submitted to the City within five (5) work days of return to work.

Family Illness Leave - Employees having available sick leave to their credit may draw upon such sick leave when any emergency crisis occurs due to the illness of a member in the employee's immediate family. The amount of sick leave credit allowed in any one instance shall be no more than is necessary for such attendance. Immediate family is defined to include spouse or registered domestic partner, son or daughter, mother or father, brothers or sisters, grandparents, and/or grandchildren, whether by marriage, blood, or legal adoption/custody.

Bereavement Leave - In the event of the death of a member of an employee's immediate family, as previously defined, the employee shall be granted bereavement leave up to three (3) days. With the consent of the department head, additional bereavement leave chargeable against accumulated sick leave may be granted beyond the three days mentioned above.

If the death requires travel outside the state, an additional two (2) days bereavement leave chargeable against accumulated sick leave may be utilized by the employee. The amount of sick leave credit allowed in any

one instance shall be no more than is necessary for such attendance and travel.

Sick Leave Conversion Program - Employees who have accumulated one hundred (100) hours of sick leave by January 1st of each calendar year may convert eight (8) hours of accrued sick leave to vacation for use during the same calendar year. For every fifty (50) hour increment of sick leave accumulated in excess of one hundred (100) hours in a calendar year, an employee may convert an additional four (4) hours of accrued sick leave to vacation for a maximum conversion of forty (40) hours during the calendar year. Sick leave increments converted to vacation shall be deducted from the employee's accumulated sick leave. Employees shall have thirty days from each January 1st to make their conversion selections.

Payment for Accumulated Sick Leave - Upon termination of service with the City by reason of retirement under the City's Retirement Program (excluding deferred retirement), death or abolishment of position, without subsequent offer of employment in a new position, employees having unused accumulated sick leave shall be paid compensation therefore equivalent to twenty-five percent (25%) of their daily wage rate for each day of unused sick leave, or in the alternative, at the employee's election, shall receive one (1) month of medical insurance coverage for every three (3) days of accumulated sick leave up to a total of two hundred (200) days of said unused sick leave. Once the employee elects to receive compensation or to convert the Sick Leave to PERS credits, the election may not be modified.

E. Leaves of Absence

Military leave - Military Leave shall be granted in accordance with the provisions of State Law. All employees entitled to military leave shall give the Personnel Officer/City Manager an opportunity within the limits of military regulations to determine when such leave shall be taken.

Jury Duty Leave - Employees summoned for jury duty shall be granted such leave of absence as is necessary to serve jury duty, as provided here in. An employee summoned for jury duty shall inform his/her manager or supervisor promptly upon receipt of a jury summons so that the City may, in cases where jury duty leave would impose a hardship, take steps to have the jury service postponed or excused. An employee selected for service on a jury who is expected to sit for more than two weeks shall notify his/her manager or supervisor promptly upon such selection.

Employees on jury duty shall be paid by the City on regular paydays the difference between their regular pay and their jury duty pay for each day of jury duty service. In order to qualify for jury duty pay, the employee shall, on a weekly basis, submit evidence of jury pay to his/her manager or supervisor.

An employee on jury duty who is excused from such duty for a day (or days) or for a period of four (4) or more hours on any regular workday shall report to work unless excused in advance by his/her manager or supervisor. Failure to so report may be considered grounds for discipline.

Maternity Leave - Maternity leave shall be granted in accordance with applicable State and Federal laws.

Personal Leave - The Personnel Officer/City Manager may grant a regular employee a leave of absence, without pay or benefits, for a period not to exceed one (1) year. Request for such leave shall be in writing and shall be approved by the Personnel Officer/City Manager in writing.

Upon expiration of a regularly approved leave, or within a reasonable period of time after notice to return to duty, the employee shall be reinstated in the position held at the time the leave was granted, provided that the employee's position has not been impacted by layoff due to lack of work or funds as solely determined by City Council. Failure on the part of any employee on leave to report promptly at its expiration, or within a reasonable time after notice to return to duty shall be cause for discharge. While on such leave of absence, the employee shall not accrue sick leave, vacation, -seniority, or any other benefits for the duration of such absence.

Family Care Leave - The City of Millbrae will provide Family Care Leave as outlined in State and Federal law.

Clothing Allowances - Safety shoes are a part of the City's safety equipment which will be issued to each regular full-time employee covered under the terms of this memorandum of understanding and shall be worn at all times.

The City shall reimburse employees for the purchase of safety shoes which meet CAL OSHA standards once per year during the month of January. A separate check shall be prepared by the General Services Department for such reimbursement payment. Employees are responsible for reminding their supervisors during this period that such disbursement is due.

Shoes, including lost or missing shoes, may be replaced and/or repaired at employee's expense. The maximum reimbursement contribution during a fiscal year shall be $187.64.

The City will pay one hundred and fifty dollars ($150) per year for eye protection (e.g. safety glasses) for all employees in this unit.

CONTRACT ENFORCEMENT - This Agreement sets forth the full and entire understanding of the parties regarding the matters set forth herein. Any and all prior or existing Memoranda of Understanding are hereby superseded and terminated in their entirety.

V. MISCELLANEOUS PROVISIONS

Severability - Should any section, clause, or provision of this Memorandum of Understanding be declared illegal by final judgment of a court of competent jurisdiction, such invalidation of such section, clause, or provision shall not invalidate the remaining portions hereof, and such remaining portions shall remain in full force and effect for the duration of this Memorandum of Understanding. In the event of such invalidation, the parties agree to meet and confer concerning substitute provisions for provisions rendered or declared illegal.

Entire Agreement Clause - The City and employee organization agree that this Memorandum of Understanding represents the complete agreement of the parties upon all subjects.

Waivers of Contract - The Memorandum of Understanding shall supersede all existing and prior Memorandum of Understanding between the City and the employee organization or Personnel Rules, Regulations, Resolutions and Ordinances which are in conflict with this Agreement. In the absence of any such conflict, the existing Rules, Regulations, Resolutions, and Ordinances shall prevail.

Drug-Free Workplace - Drug-Free Workplace - It is the policy of the City of Millbrae to maintain a drug-free workplace. This policy is a condition of employment and violation shall result in discipline up to and including termination.

A. General Provisions Regarding The Americans With Disabilities Act

1. Because the ADA requires accommodations for individuals protected under the Act, and because these accommodations must be determined on an individual, case-by-case basis, the parties agree that the provisions of this Agreement may be disregarded in order for the City of Millbrae to avoid discrimination relative to hiring, promotion, granting permanency, transfer, layoff, reassignment, termination, rehire, rates of pay, job and duty classification, seniority, leaves, fringe, benefits, training opportunities, hours of work or other terms and privileges of employment.

2. The Millbrae Sanitation Workers' Association recognizes that the City of Millbrae has the legal obligation to meet with the individual employee to be accommodated before any adjustment is made in working conditions. The Millbrae Sanitation Workers' Association will be notified of these proposed accommodations prior to implementation by the City of Millbrae if the employee authorizes such a notification.

3. Any accommodation provided to an individual protected by the ADA shall not establish a past practice, nor shall it be cited or used as evidence of a past practice in the grievance/arbitration procedure.

Duration - This Memorandum of Understanding, entered into shall remain in effect for those employees employed in the classifications which comprise the Sanitation Workers represented unit for the period from July 1, 2015 up to and including June 30, 2018.

Reopener - In the event the State Water Board mandates 24 hour operator coverage, or the City cannot provide adequate operator staffing without increasing overtime, the City may request and the Association will agree to reopen this agreement.

CITY OF MILLBRAE

By: _____
Pat Glenn, Chief Negotiator

Date: May 25, 2016

By: _____
Marcia Raines, City Manager

Date 5-27-2016

SANITATION WORKERS, TEAMSTER LOCAL 856

By: _____
Tim Jenkins, Representative

Date: May 25, 2016

EXHIBIT A Salary Schedules

Effective July 1, 2015

CLASSIFICATION	EARNINGS PER HOUR / MONTH				
JOB TITLE	A	B	C	D	E
INDUSTRIAL WASTE INSPECTOR (TRAINEE)	5,179	5,438	5,710	5,996	6,295
INDUSTRIAL WASTE INSPECTOR I	5,664	5,948	6,245	6,557	6,885
INDUSTRIAL WASTE INSPECTOR II	6,031	6,332	6,649	6,982	7,331
SENIOR INDUSTRIAL WASTE INSPECTOR	6,640	6,972	7,321	7,687	8,071
LABORATORY ANALYST (TECHNICIAN)	5,245	5,507	5,782	6,072	6,375
LABORATORY CHEMIST	5,620	5,901	6,196	6,506	6,832
PLANT: MAINTENANCE WORKER I	5,194	5,453	5,726	6,012	6,313
PLANT: MAINTENANCE WORKER II	5,665	5,949	6,246	6,558	6,886
PLANT: SENIOR MAINTENANCE WORKER	6,232	6,544	6,871	7,214	7,575
PLANT: OPERATOR (TRAINEE)	4,756	4,994	5,244	5,506	5,781
PLANT: OPERATOR I	5,194	5,453	5,726	6,012	6,313
PLANT: OPERATOR II	5,664	5,948	6,245	6,557	6,885
PLANT: SENIOR TREATMENT OPERATOR	6,232	6,544	6,871	7,214	7,575

Effective July 1, 2016

CLASSIFICATION	EARNINGS PER HOUR / MONTH				
JOB TITLE	A	B	C	D	E
INDUSTRIAL WASTE INSPECTOR (TRAINEE)	5,335	5,601	5,881	6,175	6,484
INDUSTRIAL WASTE INSPECTOR I	5,834	6,126	6,432	6,754	7,092
INDUSTRIAL WASTE INSPECTOR II	6,212	6,522	6,849	7,191	7,551
SENIOR INDUSTRIAL WASTE INSPECTOR	6,839	7,181	7,540	7,917	8,313
LABORATORY ANALYST (TECHNICIAN)	5,402	5,672	5,956	6,254	6,566
LABORATORY CHEMIST	5,789	6,078	6,382	6,701	7,036

PLANT: MAINTENANCE WORKER I	5,349	5,617	5,898	6,193	6,502
PLANT: MAINTENANCE WORKER II	5,835	6,127	6,433	6,755	7,093
PLANT: SENIOR MAINTENANCE WORKER	6,419	6,740	7,077	7,431	7,802
PLANT: OPERATOR (TRAINEE)	4,899	5,144	5,401	5,671	5,954
PLANT: OPERATOR I	5,349	5,617	5,898	6,193	6,502
PLANT: OPERATOR II	5,834	6,126	6,432	6,754	7,092
PLANT: SENIOR TREATMENT OPERATOR	6,419	6,740	7,077	7,431	7,802

Effective July 1, 2017

CLASSIFICATION	**EARNINGS PER HOUR / MONTH**				
JOB TITLE	A	B	C	D	E
INDUSTRIAL WASTE INSPECTOR (TRAINEE)	5,495	5,769	6,058	6,361	6,679
INDUSTRIAL WASTE INSPECTOR I	6,009	6,310	6,625	6,957	7,304
INDUSTRIAL WASTE INSPECTOR II	6,398	6,718	7,054	7,407	7,777
SENIOR INDUSTRIAL WASTE INSPECTOR	7,044	7,397	7,766	8,155	8,562
LABORATORY ANALYST (TECHNICIAN)	5,564	5,842	6,135	6,441	6,763
LABORATORY CHEMIST	5,963	6,261	6,574	6,902	7,248
PLANT: MAINTENANCE WORKER I	5,510	5,785	6,075	6,378	6,697
PLANT: MAINTENANCE WORKER II	6,010	6,311	6,626	6,958	7,306
PLANT: SENIOR MAINTENANCE WORKER	6,612	6,942	7,289	7,654	8,037
PLANT: OPERATOR (TRAINEE)	5,046	5,298	5,563	5,841	6,133
PLANT: OPERATOR I	5,510	5,785	6,075	6,378	6,697
PLANT: OPERATOR II	6,009	6,310	6,625	6,957	7,304
PLANT: SENIOR TREATMENT OPERATOR	6,612	6,942	7,289	7,654	8,037

EXHIBIT B Medical Records Act

RESOLUTION NO. 89-77

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILLBRAE ESTABLISHING A PRIVACY OF MEDICAL RECORDS POLICY

RESOLVED by the City Council of the City of Millbrae, County of San Mateo, State of California, that

WHEREAS, pursuant to the Confidentiality of Medical Information Act adopted by the State Legislature in 1981, each City is entitled to develop and adopt a policy dealing with the specific confidentiality of medical records of City employees and officers,

WHEREAS, the City Council desires to establish a policy restricting unauthorized access to employee medical information,

NOW. THEREFORE, BE IT FURTHER RESOLVED that the City Council adopts the following Privacy of Medical Records Policy, to wit:

1. Pursuant to Chapter 3.5 entitled Inspection of Public Records" of Division 7 of the Government Code, and specifically Sec 6254 thereof, personal, medical or similar files of employees are exempt from public disclosure.

2. Employee medical and/or psychological records are declared to be confidential and information contained therein shall not be disclosed by a health provider or by the City of Millbrae without written authorization of the employee involved.

3. Except for Police Officers' pre-employment psychological information,

   a. Employee medical information shall only be disclosed by the examining physician or an administrative staff person of the City specifically.

I do hereby certify that the foregoing Resolution 89-77 was duly and regularly passed and adopted by the City Council of the City of Millbrae this 27th day of June, 1989.

EXHIBIT C Rule 12 of Personnel Rules & Regulations

RULE 12. PROBATIONARY PERIOD AND PERFORMANCE RATINGS

12.01 OBJECTIVE OF PROBATIONARY PERIOD

The probationary period shall be regarded as part of the testing process and shall be utilized for closely observing the employee's work, for securing the most effective adjustment of the employee to the new position and for rejecting any probationary employee whose performance does not meet the required standards of work.

12.02 DURATION

All original and promotional appointees to positions in public safety classifications shall serve a probationary period of twelve (12) months. All other appointees shall serve a probationary period of six (6) months.

The City Council may establish a probationary period of other than six or twelve months for a given classification.

12.03 EXTENSIONS

The Personnel Officer shall extend a probationary period on a day—for— day basis in instances where a probationary employee:

a. Is on a leave—without—pay status, except where such leave is a result of illness or injury or is due to an authorized military leave pursuant to the provisions of the State Military and Veterans Code.

b. Is on an unpaid leave status due to illness or injury for more than 30 consecutive days during the probationary period.

The probationary period may also be extended at the discretion of the Personnel Officer where time lost under Paragraph b., above, exceeds more than 30 cumulative days during the probationary period.

The probationer and his department head shall be advised in writing of any such extension. Such actions shall not be construed as disciplinary nor be subject to the grievance procedure set forth in Rule 15 of these Regulations.

12.04 EVALUATIONS

It shall be the responsibility of the probationer's department head and immediate supervisor to investigate carefully the employee's adjustment and performance to determine whether or not the employee is qualified for permanent status. Such evaluations may be conducted at any time, but must be completed and submitted to the Personnel Officer in the prescribed form at approximately the following intervals:

a. After the sixth month of employment for employees in public safety classifications; and after the third month for all other employees.

EXHIBIT D Rule 14 & 15 of Personnel Rules & Regulations

RULE 14. PERSONNEL ACTIONS: INFORMAL/FORMAL

14.01 POLICY

The City of Millbrae encourages two-way communication between employees and supervisors in order to resolve work performance problems. Employees and supervisors are encouraged to first try an informal approach to resolve work—related issues.

There may be times when a person's work performance does not meet either the employee's, supervisor's, and/or management's expectations. When this occurs, the "progressive discipline" process should be initiated. Progressive discipline is defined as "an effective, reasonable system of disciplinary activities founded on the premise that actions are to be corrective rather than punitive; actions are progressively more severe; and the actions fit the nature of the problem".

14.02 ACTION BY CITY

Supervisors have the responsibility to initiate progressive disciplinary action for employees in the Classified Service, when performance falls below a defined standard and/or for misconduct as defined in these Regulations. Progressive discipline is usually implemented after other supervisory techniques, such as informal counseling, structured work programs, etc., have not proved successful in improving employee performance. A typical progressive sequence of disciplinary actions used by public agencies is as follows:

a. Counseling

b. Oral Reprimand

c. Written Reprimand

a. Suspension

e. Reduction in grade/Demotion

f. Discharge

As listed here, disciplinary actions taken may include an oral or written reprimand, suspension without pay for a set number of days, pay reduction, demotion, discharge or any combination of these or other appropriate penalties which will improve job performance. In

addition to the disciplinary actions which may be taken by supervisors and/or department heads, the Personnel Officer/City Manager may initiate disciplinary actions against any employee, up to and including discharge.

Disciplinary actions taken against an employee in the Classified Service, other than oral and/ or written reprimands, must receive the prior approval of the department head, except notice, as set forth below, shall be provided the employee within five (5) working days from the date of the action. In all cases, written notice of disciplinary action shall be served on the employee personally or by registered mail, with a copy of the notice to be placed in the employee's personnel file.

The written notice shall contain the following information:

a. The disciplinary action proposed.

b. The effective date of the action.

c. The reason or cause for the action.

d. An indication that the employee may inspect copies of all materials upon which is action is based.

e. An indication that the employee has the right to respond, either orally or in writing, to the authority initially imposing the discipline.

f. An indication that the employee has the right of formal appeal pursuant to Rule 15 of these Regulations.

Except in instances where disciplinary action must be taken immediately, the notice shall be provided the employee no later than five (5) working days before the disciplinary action is to be effective. Where immediate disciplinary action has been imposed, the employee has a right of appeal as outlined in Sections 15.02 and 15.03.

14.04 RESPONSES TO NOTICES OF DISCIPLINE

An employee who is provided notice of proposed disciplinary action pursuant to Rule 14.03 shall have five (5) working days within which to respond to the authority who would initially be imposing the discipline. This authority shall be the department head, except for discipline involving suspensions of greater than 3 days, demotions, denial of salary step increases, etc., where the authority is the Personnel Officer/City Manager.

Any such meeting between the employee and the aforementioned authority shall not be considered to be a formal appeal or evidentiary-type hearing. Its purpose is to permit the employee to examine the materials upon which the proposed action is based and to have an additional opportunity to respond to the charges.

(Revised by City Council October 10, 1989)

RULE 15. GRIEVANCE AND APPEALS PROCEDURE

The provisions of this Rule shall not apply to Classified employees represented by any City employee organization which has a grievance and appeals procedure set forth in a current memorandum of understanding with the City nor to employees being rejected from probationary status.

15.01 DEFINITION

A grievance is defined as any dispute involving a disciplinary action taken by the City in accordance with Rule 14; or a dispute involving the interpretation, application or alleged violation of:

a. A current memorandum of understanding between the City and a recognized employee organization.

b. These Rules and Regulations where the provision in dispute is within the scope of representation.

All ordinances, resolutions, rules and regulations, the subject of which is not specifically covered by the provisions of a Memorandum of Understanding shall be excluded from the grievance process. The excluded ordinances, resolutions, rules and regulations shall not be subject to the grievance procedures set forth in this section.

Should any dispute concern an agreement, rule or action which prescribes a separate appeal procedure, that dispute shall be excluded from this procedure.

15.02 INFORMAL AND FORMAL GRIEVANCES

Individuals should first attempt to exhaust all informal methods (see Rule 14.01) prior to following through to more formal methods to resolve problems. Nothing within these procedures shall be construed to limit the right of an employee to informally discuss any employment problem with an immediate supervisor or designated manager.

15.03 INFORMAL GRIEVANCES

An employee who has a grievance shall bring it to the attention of his immediate supervisor within five (5) working days of the occurrence of the act which is the basis for the dispute. Where the grievance concerns a matter of proper compensation or a matter which could not reasonably be discovered by the employee within five (5) working days of its occurrence, the grievance on such a matter must be raised within twenty (20) working days of the occurrence.

If the employee and the immediate supervisor are unable to resolve the grievance within five (5) working days of the date it is raised, the employee may refer it to the next higher level of supervision. If no such level exists, or the grievance cannot be resolved at this level, the dispute may be referred to the department head.

Disputes involving disciplinary actions by supervisors, other than oral and written reprimands taken pursuant to Rule 14, shall be initiated at Step 2 of this procedure.

15.04 FORMAL GRIEVANCES

If the grievance cannot be resolved informally within ten (10) working days of the date it is first raised with the employee's immediate supervisor, the employee shall have the right to submit a formal grievance on a City Grievance Form. The formal grievance shall contain the following information:

a. The name of the grievant.

b. The grievant's department and specific work site.

c. The name of the grievant's immediate supervisor.

d. A statement of the nature of the grievance including date and place of occurrence.

e. The specific provision, policy or procedure alleged to have been violated.

f. The remedy sought by the grievant.

g. The name of the individual or organization, if any, designated by the grievant to represent him/her in the processing of the grievance. However, in no event shall an employee organization other than the one which formally represents the position occupied by the grievant be designated as the grievant's representative.

Step 1 - An employee dissatisfied with the response received through the informal procedures discussed in Rule 15.03 may submit a formal grievance to the next higher level supervisor or department head within five (5) working days of receipt of the decision reached through the informal process. The higher level supervisor or department head, upon receipt of the grievance, shall discuss the grievance with the employee. The higher level supervisor or department head shall render a decision in writing and notify the employee within five (5) working days after receipt of the grievance.

In those departments where there are several layers of supervision and the grievant is not satisfied with the decision of the higher level supervisor, the grievant may process a grievance request to the department head within five (5) working days after receipt of the supervisor's decision. The department head shall have five (5) working days to respond to the grievant with a written decision.

The time limits for this step may be extended/waived by mutual agreement of the parties. Failure on the part of the department head to comply with prescribed time limits or extensions thereto shall result in the grievance being moved to the next step of the procedure.

Step 2 - If the employee is dissatisfied with the decision of the department head in Step 1, the employee may submit the grievance to the Personnel Officer/City Manager within five (5) working days from receipt of the department head's response.

The Personnel Officer/City Manager, or a designated representative, shall respond to the grievance in writing within the following time limits:

a. For non-disciplinary matters: within ten (10) working days.

b. For disciplinary matters: within twenty (20) working days.

Within either of these periods, the Personnel Officer/City Manager or designated representative may, at their discretion, conduct an informal meeting involving the parties to the dispute.

In disputes involving disciplinary actions, the time period for filing grievances with the Personnel Officer/City Manager shall be five (5) working days from the effective date of the disciplinary action.

The time limits for this step may be extended/waived by mutual agreement of the parties. Failure on the part of the Personnel Officer/City Manager to comply with prescribed time limits or extensions thereto shall result in the grievance being moved to the next step of the procedure.

Step 3 - If the employee is dissatisfied with the decision of the Personnel Officer/City Manager in Step 2, the grievant may appeal the grievance to advisory arbitration.

The request for advisory arbitration must be given in writing to the Personnel Officer/City Manager or a designated City representative by the grievant within ten (10) working days from the date of the Step 2 answer.

An arbitrator may be selected by mutual agreement between the grievant's representative and the City's representative, Should the representatives fail to mutually agree on an arbitrator, they shall make a joint request to the California State Conciliation and Mediation Service, the American Arbitration Association, or some other source mutually agreed upon, for a list of five (5) qualified arbitrators. The parties shall each strike two (2) names from the list and the remaining person shall be accepted as the arbitrator. The first party to strike shall be determined by the flip of a coin.

The jurisdiction and authority of the arbitrator so selected and the opinions the arbitrator expresses will be confined exclusively to the interpretation of the express provision or provisions of the MOU or Personnel Rules at issue between the parties. The arbitrator shall have no authority to add to, subtract from, alter, amend, or modify any provisions of the MOU or Personnel Rules or impose any limitations or obligations not specifically provided for under the terms of the MOU or Personnel Rules.

The arbitrator shall be without power or authority to recommend any decision that would require the City or the administration to do an act prohibited by law. With regard to discipline, the arbitrator may recommend affirmation, reversal or modification of the disciplinary penalty. Any recommended backpay due as a result of modification or reversal shall be a net amount, deducting any income from other employment earned by the employee subsequent to the effective date of the disciplinary action. The arbitrator's decision shall be advisory to the City Council.

The fees of the arbitrator and the court reporter will be borne equally by the employee or employee association and the City.

CONDUCT OF THE HEARING

The conduct of the advisory arbitration hearing shall be as follows:

a. Court Reporter. The hearing shall be transcribed by a certified shorthand reporter.

b. Rights of Employee. The employee shall attend any hearing, unless excused by the Hearing Officer and shall be-entitled to:

(i) be represented by counsel or any other person at such hearing;

(ii) testify under oath;

(iii) compel the attendance of other employees of the City to testify in his/her behalf;

(iv) cross-examine all witnesses appearing against the employee;

(v) impeach any witness;

(vi) present such affidavits, exhibits and other evidence as the Hearing Officer deems pertinent to the inquiry;

(vii) argue his/her case

The party attempting to substantiate the charges against the employee shall be entitled to the same privileges.

c. Evidence. The hearing shall be informal and need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions. Hearsay evidence may be admitted to any purpose but shall not be sufficient in itself to support a finding unless it would be admissible over objection in civil actions. The rules of privilege and of official or judicial notice shall be effective to the same extent as in civil actions. Irrelevant and repetitious evidence shall be excluded. Oral evidence shall be taken only under oath or affirmation.

d. Exclusion of Witnesses. The Hearing Officer may in his/her discretion exclude witnesses not under examination, except the employee and the party attempting to substantiate the charges against the employee, and their respective counsel. When hearing testimony on scandalous or indecent conduct, all persons not having a direct interest in the hearing may be excluded.

e. Burden of Proof. The burden of proof shall be upon the party attempting to substantiate the charges.

f. Findings and Decision. Upon completion of the hearing, Findings of Fact and Conclusions of Law shall be signed and filed by the Hearing Officer, which shall constitute his/her decision. Written findings and conclusions shall be submitted by the Hearing Officer to the Personnel Officer/City Manager and to the employee or his/her counsel or representative.

g. Transcript of Hearings. The fees and expenses of the Hearing Officer and the hearing shall be split between the parties. The cost of the services and expenses of the court reporter shall be split by the parties. Any other expenses shall be borne by the parties incurring them.

h. Continuances. The Hearing Officer may grant a continuance of any hearing upon such terms and conditions as he/she may deem proper, including in his/her discretion the condition that the employee shall be deemed to have waived salary for the period of the continuance. Any request for continuance made less than 48 hours prior to the time set for the hearing will be denied unless good cause is shown for the continuance.

Step 4 - If either the employee or the City is dissatisfied with the advisory decision of the arbitrator in Step 3, an appeal may be made to the City Council within ten (10) working days from receipt of the arbitrator's advisory decision.

The City Council may adopt the advisory decision in its entirety. In such case, no additional hearing is required and the Council need not review the hearing transcript. If the City Council does not adopt the advisory decision in its entirety, it may, at its discretion, hold an additional hearing. The hearing shall be conducted in accordance with the "conduct of hearing" rules set forth in Step 3 above.

If the City Council does not adopt the advisory decision in its entirety, it may modify or reject the advisory decision after reviewing and deciding the grievance on the hearing transcript

record. The City Council shall issue a written decision setting forth findings of fact and conclusions of law. The majority decision of the City Council shall be final and binding.

With regard to disciplinary appeals, the City Council may affirm, reverse or modify the disciplinary penalty. Any backpay due as a result of modification or reversal shall be a net amount, deducting any income from other employment earned by the employee subsequent to the effective date of the disciplinary action.

15.05 GENERAL CONDITIONS

a. Any time limit set forth in Rule 15.04 may be extended by written agreement between the appropriate City representative and the grievant or the recognized employee organization representing him/her.

b. Failure on the part of the grievant or his/her designated representative to comply with the time limits of Rules 15.03 or 15.04 or any extension thereto shall constitute a withdrawal of the grievance without further recourse to re-submittal under this procedure. Failure on the part of the City to comply with prescribed time limits or extensions thereto shall result in the grievance being moved to the next step of the procedure.

c. Upon receipt of a written grievance, the City shall have the right to refuse to handle such grievance if the aggrieved party has not followed the steps outlined in these Rules and Regulations for processing a grievance.

d. Except as provided in Rule 1.5.04 (g), the grievant shall be entitled to have a representative of his/her own choosing present at any grievance meeting with the city.

e. Except as provided in Rule 15.04 (g), a representative of a recognized employee organization which represents the grievant's classification shall be entitled to be present at any hearing held in conjunction with Step 2, 3 or 4 of Rule 15.04.

f. Nothing herein shall preclude the use of alternate means of resolving the grievance at Step 2 of Rule 15.04. Such means must be jointly agreed to by the Personnel Officer/City Manager and the employee and the recognized employee organization which represents this classification. Decisions rendered in this manner shall be advisory only and shall be submitted to the Personnel Officer/City Manager for approval, modification or reversal.

g. Petitions for judicial review of administrative determinations by the City Council made under this Rule shall be governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.

h. Any employee may, at any time, present grievances to the City and have such grievances adjusted without the intervention of the recognized employee organization, as long as the adjustment is reached prior to arbitration and is not inconsistent with the terms of the MOU or Personnel Rules; provided that the City shall not agree to a resolution of the grievance until the recognized employee organization has received a copy of the grievance and the proposed resolution and has been given the opportunity to file a response.

i. Employees shall have freedom from reprisal for use of the Grievance Procedures.

EXHIBIT E Family Leave Care Policy

LEAVES OF ABSENCE - FAMILY CARE LEAVE

The City may propose an update to this policy during the term of this agreement, subject to providing the SWA with the opportunity to meet and confer over the updated policy.

SCOPE OF POLICY - The following definitions apply to this section:

I. "Family Care Leave" means either of the following:

A. Leave for reason of the birth of a child of the employee, the placement of a child with an employee in connection with the adoption of the child by the employee, or the serious illness of a child of the employee.

B. Leave to care for a parent or a spouse of the employee who has a serious health condition.

2. "Child" means a biological, adopted or foster child, a stepchild, a legal ward, or a child of a person standing with the legal tights of a parent to a person either under 18 years of age or who is an adult dependent child.

3. "Parent" means a biological, foster or adoptive parent, a stepparent or a legal guardian.

4. "Serious health condition" means an illness, injury, impairment, or physical or mental condition which warrants the participation of a family member to provide care during a period of treatment or supervision and involves either of the following:

A. In-patient care in a hospital, hospice or residential care facility.

B. Continuing treatment or continuing supervision by a health care provider.

5. This policy applies to those City employees who are eligible for benefits.

REQUESTS FOR LEAVE

A. Employees must submit a request for Family Care Leave on a "Request for Extended Leave of Absence" form available in Personnel. Request must be submitted by an employee to his/her immediate supervisor. The supervisor shall submit the request to the department head for approval. Except where the need for Family Care Leave is not reasonably

foreseeable, the request shall be made at least thirty (30) days prior to the commencement date for such leave.

B. Where the Family Care Leave is to care for a child, spouse or a parent who has a serious health condition, the employee's request shall be supported by a written certification issued by the health care provider of the individual requiring care. The certification shall include: (1) the date on which the serious health condition commenced; (2) the probable duration of the condition; (3) an estimate of the amount of time the employee is needed to care for the individual; and (4) a statement that the serious health condition warrants the participation of a family member to provide care during the period of the treatment or supervision by the health care provider of the individual. 'Recertification may be required where such leave is requested to be extended.

C. Where the need for such leave is reasonably foreseeable due to a planned medical treatment or supervision, the employee shall make a reasonable effort to schedule the treatment or supervision to avoid disrupting the operations of the City.

DURATION OF FAMILY CARE LEAVE

Family Care Leave may be used by an employee up to four (4) months in a 24-month period. Employees on pregnancy disability leave may take up to one (1) additional month as Family Care Leave.

ADDITIONAL GROUNDS FOR DENIAL OF FAMILY CARE LEAVE

The following may constitute reasons for disapproval of a request for Family Care Leave:

A. The employee is among the top ten percent (10%) of the employees of the City in terms of gross salary. This provision shall not apply to non-management public safety personnel.

B. If the refusal is necessary to prevent undue hardship to the City operations.

C. If the child's other parent (non-employee) is either on Family Care Leave, or is unemployed. If the spouse of an employee is unemployed and unable to assist the family member as outlined in "1-A" and "1-B" under the Scope section of this policy, then the Personnel Officer may grant the use of Family Leave. If the spouse is also a City employee, only one spouse is eligible for the Family Care Leave at any given time.

PAY AND BENEFITS

A. A Family Care Leave of Absence shall be without pay, except where authorized personal leave is used.

B. Employees must use accrued vacation leave and the number of days designated in the Memorandum of Understanding for care of immediate family members before becoming eligible for Family Care Leave authorization.

C. Employees may use additional sick leave time during the Family Care Leave period.

D. Employees shall not receive any benefits during Family Care Leave except during the period when vacation and sick leave accruals are being used. However, employees shall retain the right to participate in any health insurance, life insurance, disability and accident Insurance plans provided the employee pays the premiums for such coverage through the COBRA program. Non participation in any such insurance plan shall not constitute a break in service for purposes of longevity or seniority under such plans. Employees shall not receive any pension plan benefits during the leave period, but shall, where applicable, be allowed to make contributions to the plan, and shall not lose any longevity or seniority during the leave period.

EMPLOYMENT STATUS/RETURN TO WORK

A. An employee, on return from Family Care Leave, shall be entitled to employment in a position that has the same or similar duties, and pay, and which can be performed at the same or similar geographic location or the position held prior to leave.

B. Employees shall return to work promptly at the expiration date of the Family Care Leave. The City shall notify an employee at the conclusion of their Family Leave at least seven calendar days in advance of the expiration date. Failure to return to work within three (3) days of the expiration date of such leave, without requesting and receiving an extension of said leave in writing, shall constitute voluntary resignation by the employee. Where voluntary resignation occurs under this section, the Personnel Department shall so notify the employee by Certified Mail, with a copy of the notice in the employee's file.

EXHIBIT F Addendum to Agreement

ADDENDUM TO AGREEMENT

The City may propose an update to this policy during the term of this agreement, subject to providing the SWA with the opportunity to meet and confer over the updated policy.

Whereas, the City of Millbrae and the Sanitation Worker's Association agree to a six (6) month test pilot program for an alternative work week for selected unit members; and

Whereas, a change in working days, hours and overtime will be required to implement an alternative work week; and

Whereas, the City of Millbrae and Sanitation Workers' Association hereby agree to the following changes in working days, hours and overtime for unit members participating in the alternative work week:

1. Hours of Work - The regular work week for employees occupying full-time positions and participating in an alternative work week shall consist of a forty (40) hour week at four (4) days per week and ten (10) hours per day (known as 4/10 schedule).

Should management need to change the alternative work hours to accomplish a specific task, one-week notice will normally be given to schedule the new hours. If schedules are changed in a shorter period of time, the employee is entitled to extended day pay, at the rate of time and one-half for work beyond the ten (10) hour shift, except under the following conditions: earthquake, major winter flooding, major civil disaster, and actual or possible NPDES regulatory permit violations that have occurred or may occur.

2. Overtime - Authorized work performed in excess of forty (40) hours in one week or in excess of ten (10) consecutive hours in one day (inclusive of a paid lunch period) shall constitute overtime.

An employee required to work in excess of the regularly scheduled hours of work, as defined in the preceding paragraph above, up to and including fourteen (14) consecutive hours of such work, shall be compensated for each overtime hour worked at the rate of one and one-half (1 1/2) times the employee's regular straight-time rate of pay.

An employee who is required to work in excess of fourteen (14) hours shall be compensated for each overtime hour worked at the rate of two (2) times the employee's regular straight-time rate of pay.

3. Holidays - Regular full time employees shall be entitled to observe all authorized holidays at full pay not to exceed (8) hours in any one day. The additional two (2) hours for unit members participating in the alternative work week 4/10 schedule shall be taken as vacation time, compensatory time or a change of work schedule as authorized and approved by their supervisor.

4. Work Performed on a Holiday - Any regular full-time employee who is required to work on any of the holidays specified in Section IV, B, 1 of the Agreement, in addition to receiving regular pay for such holiday, shall be paid one and one-half (1-1/2) times the employees regular straight time rate of pay for the first (8) hours worked on such holiday. The additional two (2) hours for unit members participating in the alternative work week 4/10 schedule shall be taken as vacation time, compensatory time or a change of work schedule as authorized and approved by their supervisor. The rate of one and three quarters (1-3/4) times will be paid between the tenth (10) and fourteenth (14) hour.