

Contract No.

MEMORANDUM OF UNDERSTANDING

BETWEEN THE

CITY OF SOUTH GATE

AND THE

SOUTH GATE DIVISION MANAGEMENT ASSOCIATION

JULY 1, 2021, TO JUNE 30, 2025

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**ARTICLE I
GENERAL PROVISIONS**

SECTION 1 RECOGNITION

The South Gate Division Management Association (hereinafter “Association”) is the duly recognized employee organization for the Division Management Employees Unit of the City of South Gate (hereinafter the “City”) employee in the following classifications only:

- Building Official
- Economic Development Manager
- Deputy City Engineer
- Deputy Director of Finance
- Deputy Director of Human Resources
- Deputy Director of Parks & Recreation
- Deputy Director of Public Works – Field Operations
- Housing Manager
- Parks Superintendent
- Planning Manager
- Risk Manager

The parties have met and conferred regarding an extension to the existing Memorandum of Understanding (hereinafter referred to as “Agreement” or “MOU”) and this amendment reflects the agreed-upon modified terms of, and additional new terms to, the existing MOU. All terms and conditions of the existing MOU shall continue unless expressly modified herein. This Amendment No. 1 to the 2014-15 MOU, made this 8th day of March 2016, is entered into with reference to the following facts:

WITNESSETH:

WHEREAS, the South Gate Division Management Association, (hereinafter called the “Association” or the “DMA”), is the duly recognized employee organization for its members employed by the City of South Gate (hereinafter called the “City”) in an employee group defined by Resolution No. 4508 (Employer-Employee Relations Resolution) (8.2.7) of the City Council of South Gate, and subsequent amendments to the same, as “All employees in the Pay Plan F (Unclassified Division Management Employees);” and,

WHEREAS, the Association and the City’s Representatives have met and conferred in good faith over the wages, hours, and other conditions of employment for the employees represented by the Association and have reached an understanding as to certain recommendations to be made to the City Council of South Gate.

NOW, THEREFORE, the City’s Representatives and the Association hereby agree as follows:

SECTION 2 CURRENT AND SUPPLEMENTAL AGREEMENTS

It is the intent of the City and the Association that this Agreement supersedes all previous agreements or understandings either written or oral and contains the entire understanding between the parties on all matters subject to the Meet and Confer process. No amendment, change, or variation hereof shall be valid or binding unless reduced to writing and signed by the duly authorized representatives of the City and the Association.

SECTION 3 NONDISCRIMINATION

The City and Association agree that, in applying the terms of this MOU, neither party will discriminate against any employee because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, veteran or military status, political beliefs and affiliations, or union affiliation of any person or from any other reason prohibited by law.

SECTION 4 DURATION

This MOU shall be effective from July 1, 2021 through June 30, 2025 and shall supersede the SGDMA MOU 2014-2015 (Contract No. 3094), any amendments, resolutions or side letters thereto, the Tentative Agreement Contract 3406 and any amendments or side letters thereto, and any other labor agreements entered prior to this successor MOU, which are all intended to be incorporated in this MOU if to be continued. The MOU shall become effective only after adoption by the City Council of the City of South Gate following ratification by the members of the Association.

SECTION 5 DUES DEDUCTION

The City will provide automatic payroll deduction for the collection of association dues, if so requested by the Association.

SECTION 6 SEVERANCE PLAN

Employees may be terminated without cause or laid-off in the sole discretion of the City provided that the City shall give the Employee one (1) month written notice of its intent to do so, and upon the effective date of such termination, shall pay the employee a severance payment as follows:

1. For any employee employed by the City as of September 1, 2003, or thereafter, and not identified in Section 2 below, the severance payment shall be equal to three (3) months of his or her base salary upon termination, less ordinary deductions for taxes and other customary withholdings.
2. For the Risk Manager and/or the Housing Manager hired on or after October 1, 2022, to on or before March 30, 2023, the severance payment shall be equal to six (6) months of his or her base salary upon termination, less ordinary deductions for taxes and other customary withholdings.

Acceptance of the severance payment will be consideration by the City in exchange for a full and complete settlement of all employment disputes between the employee and the City, and the employee will execute a severance agreement to this effect prior to and as a condition of receiving the severance. The employee will not be eligible for the notice period or severance pay described above if he/she is terminated for cause as defined below or if employee fails to execute severance agreement.

If the City determines that it has cause to terminate an employee, it shall provide the employee with written notification detailing the cause for termination. The employee shall have ten (10) working days to challenge the cause for termination. If the City, in its sole determination, is not persuaded by the challenge to rescind the termination, the employee shall be terminated. The employee may then appeal the termination in accordance with Article V, Section 3, Step 4. Any newly hired employee is not eligible for severance, or the grievance procedure outlined herein until he/she passes the probationary period or extended probationary period as defined in Article I, Section 13. However, when an employee who has passed his/her initial probationary period accepts a probationary appointment in a new classification, the employee retains the right to the severance pay and grievance procedure benefits under the terms outlined herein.

1. Termination for Cause. An employee may be terminated for cause in the event that the employee is:
 - a. Convicted of any illegal act involving personal gain to the employee;
 - b. Convicted of any felony, irrespective of the charge;
 - c. Convicted of any misdemeanor involving charges of moral turpitude, fraud or any act of misappropriation of public funds while working for the City, or;
 - d. Found by the City Council, upon the recommendation of the City Manager, to have:
 - (1) Been in gross neglect or dereliction of his/her duties, including willful or repeated violation of Article V, Section 1.A. of this MOU;
 - (2) Misappropriated any assets of the City; or
 - (3) Failed to accurately state his/her representations or warranties.

2. Written Notice.

A written document delivered to the employee by the Department Head or City Manager or his/her designee describing the reason(s) for the employee's termination and the date that the employee will be terminated.

3. Notice period.

In the case of termination without cause, the notice period is intended as a time during which the employee can look for other employment while remaining on the City payroll. The employee will be available and will cooperate in helping to transition his/her work assignments during this period, however, the majority of the notice period will be utilized for job search. With mutual agreement between the employee and the City, some or all of the notice period may be converted into severance pay

based on the employee's salary. For instance, if the employee earns a salary of \$1,000 per week and it is mutually agreed to convert two (2) weeks of notice into a cash payment, a total of \$2,000 would be added to the employee's severance benefit and he/she would leave the City payroll two weeks earlier than required by this MOU. If the employee accepts another job during the notice period and presents the City with a valid offer of employment, the time remaining in the notice period from the employee's hire date with the new organization will be converted to a severance payment as described in this paragraph.

SECTION 7 DRESS CODE

The parties agree that City dress codes shall be determined by management in accordance with business necessity and shall not be subject to meet and confer.

SECTION 8 ASSOCIATION BUSINESS

Elected Association stewards and officials will be provided a reasonable amount of time during normal working hours to conduct official Association business. This time will be recorded in accordance with City policy. Time spent on official Association business shall not disrupt critical work schedules. Disputes about this policy will be resolved through good faith discussions between the City and the Association and will not be subject to the grievance procedure.

SECTION 9 USE OF CITY FACILITIES/VEHICLES

The City agrees that the Association may use City facilities to conduct meetings, provided that advance notice is given to the City, proper reservations are made for the use of the facilities to ensure availability and prevent scheduling conflicts, and that such use does not interfere with the normal business operations of the City. Employees who are required to participate in City sponsored or sanctioned activities outside of their normal work hours or normal work days may be allowed to take an available City vehicle home the day(s) of the activity with the approval of their Department Director or the City Manager. Additionally, employees may use available City vehicles during normal work hours, with the approval of their Department Director or the City Manager, to accomplish special assignments if their personal vehicle is not appropriate for the assignment or the assignment may damage their personal vehicle.

SECTION 10 EMPLOYEE HANDBOOK

The Handbook will be updated at least annually and will be available in electronic form.

SECTION 11 PROBATION PERIOD

A. All employees new to a position are required to complete a probationary period of one (1) year (2080 hours) which is considered to be an extension of the examination process and an opportunity for the newly placed employee to demonstrate abilities and skills necessary for successful work performance in the particular classification and position.

- B. Any appointment to a position from an eligibility list is subject to a probationary period of one (1) year, equivalent to a total of 2,080 actual work time hours including earned holiday leave, before an appointee acquires a permanent status in the position. Two weeks prior to the end of the probationary period, the Department Head shall forward the probationary employee's Performance Appraisal to the Personnel Officer recommending that the employee be given permanent status if his/her service has been satisfactory, recommending an extension of the probationary period, or recommending that the employee be terminated or returned to the position vacated. The initial probationary period may be extended an additional six (6) months at the discretion of the Department Head in the documented cases where work performance cannot be fully evaluated within the initial six (6) month period.

- C. An employee may be removed by the appointing authority at any time during the probationary period by submission of a termination notice to the Personnel Officer, and the same shall not be subject to the Grievance Procedure. The Personnel Officer may restore any employee so terminated to the eligibility list from which he/she was removed if there appears to be an adequate basis for anticipating the employee might render satisfactory service in another department. When a present employee with permanent status accepts probationary appointment in a new classification, whether or not promotional, that employee retains the right to return to the position vacated.

1. Employee Performance Review

- a. All probationary employees shall be reviewed by their supervisors after six (6) months of service and after twelve (12) months of service. (This includes new employees and employees serving a probationary period after a promotion or transfer.)
- b. Each employee shall receive an annual performance review that shall be due on the anniversary of the date that he/she passed probation in his/her current position.
- c. If an employee is not timely evaluated on or before twelve (12) months after hire, then his/her probation is deemed automatically extended until completed and a formal decision is made to fail, pass or extend by a set period of time. No employee shall be deemed to have passed probation by failure of the City to timely act on the probation as only formal written approval by the Personnel Officer can result in permanent status in the position.

SECTION 12 WORK SCHEDULES

The 4/10 work schedule shall continue and may be re-evaluated each year of this Agreement. The City agrees to Meet and Confer with the Association on any proposed changes to the 4/10 schedule.

SECTION 13 ELECTRONIC CHECK DEPOSIT

The City will continue to provide an electronic check deposit program.

SECTION 14 SUBSTANCE ABUSE

The City and the Association agree that it is appropriate to provide a drug-free workplace through the establishment of policies and procedures that clearly prohibit the use of alcohol and other drugs and their influence on the job. The Association will cooperate with the City in implementing its Drug and Alcohol Abuse Policy. The City agrees to Meet and Confer with the Association prior to making any significant modifications to its Drug and Alcohol Abuse Policy.

SECTION 15 SMOKE FREE POLICY

All City buildings and vehicles shall be considered “smoke free” areas.

SECTION 16 TRAINING STANDARDS FOR EMPLOYEES WHO SUPERVISE

Performance standards for employees who supervise shall be amended to include forty (40) hours of approved supervisor training per year on City time. This standard shall be imposed through the normal annual performance evaluation process. The Personnel Department will regularly publish training opportunities.

ARTICLE 17 ASSOCIATION ACCESS TO NEW EMPLOYEE ORIENTATIONS AND INFORMATION

The City agrees to provide no less than 10 calendar days’ notice to the Association in advance of any new employee orientation(s) and provide the Association access to the orientation(s). Orientation refers to any onboarding process, whether in person, online or through other means. In accordance with California Government Code § 3557, access shall be determined by mutual agreement between the City and the Association. Access could be effectuated by representational attendance or correspondence, although the parties’ preference is generally correspondence over representational attendance. The Association shall advise the City reasonably in advance of any orientation as to the type of access requested.

The City agrees to provide the Association with the name, job title, department, work location, work, home, and personal cellular telephone numbers, personal email addresses on file with the City, and home address of any newly hired employee within thirty (30) days of the date of hire. The City also agrees to provide the association with a list of the foregoing information for all bargaining until employees at least one every 120 days at the Association’s written request.

Notwithstanding the foregoing, the City shall not provide the Association with the home address or any phone number on file with the City of any employee performing law enforcement-related functions. For purposes of this MOU, “law enforcement-related functions” includes any City police department employees and any City code enforcement officer. The City will not provide the Association with any home address, home telephone number, personal cellular telephone number, or personal email address of any employee who has made a written request to the City regarding non-disclosure of said information (except, with respect to personal email addresses, as may be necessary to comply with the

Public Records Act).

ARTICLE 18 EMPLOYEE ACKNOWLEDGEMENT OF RECEIPT OF OFFICIAL DOCUMENTS

Employees being served with City documents that contain a formal Notice of Acknowledgement of Receipt with a signature line and date for the employee to sign and who are directed to sign such document at the time presented, shall promptly sign and date the Notice of Acknowledgement of Receipt or may be subject to discipline for insubordination for failure to comply with an official directive and for violation of this MOU. Any disciplinary document shall have the following sentence before the signature line: "My signature does not mean that I agree with the contents of this document and does not waive any of my rights."

ARTICLE 19 EXCLUSION FROM CIVIL SERVICE RULES AND REGULATIONS

DMA employees are "at will" and excluded from the City's civil service rules and regulations pursuant to Section 1.24.105 of the South Gate Municipal Code

**ARTICLE II
SALARIES AND ALLOWANCES**

SECTION 1 PAY INCREASE IMPLEMENTATION

The City shall make payroll changes for step increases, pay increases, and other compensation changes at the start of the nearest pay period, subject to the Personnel Officer's approval and/or adjustment (due to special circumstances).

SECTION 2 WAGES:

- A. Effective the first full payroll period of July 2024 the base salary for the classifications for the represented Unit classifications shall be increased by three percent (3.0%)
- B. Effective the second full payroll period of July 2024, employees still on payroll and who worked during any part of the period March 18, 2020, to January 1, 2022, shall receive an Essential Worker Stipend of \$1,000.

SECTION 3 MERIT BASED INCREASES

All employees will be placed on the same evaluation schedule with either annual or semi-annual evaluations. Advancement to a higher Step in each Grade will be contingent upon an overall satisfactory or exemplary performance evaluation. Merit increases must be recommended by the employee's Department Head and approved by the City Manager. Should a Department Head fail to complete an evaluation through no fault of the employee, the employee will automatically receive any regularly scheduled increase. Department Heads are required to take affirmative action to withhold a salary step increase, with this action to be approved by the City Manager. The withholding of a salary step increase may be reviewed by the Personnel Officer if the employee requests. Further, if a supervisor rates an employee unsatisfactory and fails to withhold a step increase, the supervisor shall be required to justify the lack of action. Withholding a salary increase is an administrative action, and not disciplinary, and therefore is not a subject to appeal. When an employee is given an unsatisfactory performance evaluation and a salary step withheld, the employee and the supervisor shall meet and establish goals and a plan to improve the performance. When an employee meets the goals of the performance improvement plan the employee will then earn a step increase.

SECTION 4 WORKING TEMPORARILY IN A HIGHER CLASSIFICATION

A. RIGHT TO ADDITIONAL COMPENSATION

Employees who are formally appointed to act and work in a higher temporarily vacant and budgeted position shall be entitled to additional compensation in the amount set forth below.

B. CONDITIONS PRECEDENT FOR ACTING PAY COMPENSATION

1. Minimum Time in Classification Requirement

The employee must be appointed to work in a temporarily vacant and budgeted higher classification for the requisite time periods specified below:

- a. If the temporarily vacant and budgeted higher classification to which the employee is appointed is vacant due to lack of a permanent employee occupying said position, the requisite time period is three (3) consecutive work weeks in order to receive acting pay, at which time the acting pay shall be retroactive to the commencement of the appointment start date.
- b. If the temporarily vacant and budgeted higher classification to which the employee is assigned is vacant due to a temporary absence of a permanent employee, such as illness, vacation, leave of absence, absence without leave, or acting in a higher position, the requisite time period is a cumulative period of four (4) work weeks in a twelve (12) month period preceding the day upon which the employee is appointed to commence acting in the higher classification, at which time the acting pay shall be retroactive to the commencement of the appointment start date.

2. Authorization

Appointment to act and work in a temporarily vacant and budgeted higher classification must be approved in writing signed by the Department Director. Additionally, prior to the first day of eligibility for compensation, as stated in subparagraph 1, the Personnel Officer has authorized the appointment in writing to confirm that there is a temporarily vacant and budgeted higher classification. If the Personnel Officer is not available to approve the appointment, then the Department Director shall not continue the acting appointment beyond five (5) working days unless or until they have obtained approval of the Personnel Officer.

3. Compensation

Acting Pay shall be in the amount equal to the number of hours worked in the higher classification after meeting the minimum time in classification requirement multiplied by the rate of compensation established for that position classification at the step in the Salary and Compensation Resolution necessary to provide the employee with a minimum of five percent (5%) increase but shall in no event exceed the highest step of the range assigned to the higher classification.

SECTION 5 EDUCATIONAL REIMBURSEMENT

The individual educational reimbursement cap is \$2,500 annually (\$3,000 for private universities). The City shall reasonably budget for this expense based upon past use experience. Full-time City employees who have successfully passed their initial probation period are eligible to participate in the educational reimbursement plan. To be eligible for

reimbursement, the employee must obtain a grade of "C" or better and submit a grade slip or other evidence of successful course completion and appropriate invoices and/or receipts. If the employee leaves voluntarily or separates from the City within two years from the date of completion of a course for which reimbursement is received, the City may withhold the amount of such reimbursement from the employee's final check.

For the Risk Manager and/or the Housing Manager hired on or after October 1, 2022, to on or before March 30, 2023, the annual individual educational reimbursement cap is up to \$3,500 for public, private, or recognized professional organizations.

SECTION 6 AUTO ALLOWANCE

Employees shall be required to furnish their own automobiles for City business. Employees will be compensated for the use of their automobile at a rate of four hundred dollars (\$400) per month, which shall be taxable as compensation.

For the Risk Manager and/or the Housing Manager hired on or after October 1, 2022, to on or before March 30, 2023, in lieu of the City providing a vehicle or paying mileage reimbursement for City business use, the employee may receive up to \$500 per month as a vehicle allowance. The employee shall annually present proof of vehicle insurance and that such coverage shall cover the vehicle operation for city business purposes by said employee. The employee shall also participate in the City's annual DMV verification program.

SECTION 7 COMMUNICATION DEVICES

Unless other arrangements are approved by the City Manager, all DMA members shall elect to either receive a City – issued cellular telephone device or a \$100 per month allowance for his/her personal technology device use. Such allowance shall be taxable as compensation.

For the Risk Manager and/or the Housing Manager hired on or after October 1, 2022 to on or before March 30, 2023, in lieu of the City providing a cell phone, the employee shall receive \$120 per month for communication expenses. The employee understands the monthly records of calls may be subject to the California Public Records Act relating to City business items. The City Attorney's Office will make any determination of applicability.

SECTION 8 BILINGUAL PAY

Effective January 7, 2018, DMA members will be eligible for bilingual pay of \$125.00 per month. To receive the bilingual pay, a DMA member will need to get approval of his/her Department Director, based upon the extent of his/her usage of the bilingual skills, and pass the appropriate bilingual skills test.

SECTION 9 EDUCATION INCENTIVE PAY

As long as the degrees at issue are not part of the requirements of the classification,

employees who have or obtain a B.A. or B.S. will be paid an additional \$50 per month. Employees who have or obtain a post-graduate degree will be paid an additional \$125 per month.

For the Risk Manager and/or the Housing Manager hired on or after October 1, 2022, to on or before March 30, 2023, the City shall pay \$225 per month for any employee that has obtained a master’s degree or higher from a fully accredited university.

SECTION 10 LONGEVITY PAY

The City recognizes that as an employee’s service with the City increases, the employee’s knowledge of operating procedures, productivity and ability to provide outstanding service to the citizens of South Gate increases. For these reasons, the City shall provide a flat monthly rate longevity pay which is added to the eligible employee’s base pay. Longevity pay is determined once per year on the employee’s anniversary dates pursuant to the following table:

Pay Grade	Classification	Years of Service		
		10-14	15-19	20+
650	Building Official	\$245.93	\$307.42	\$368.90
650	Economic Development Manager	\$245.93	\$307.42	\$368.90
659	Deputy City Engineer	\$288.58	\$360.73	\$432.87
650	Deputy Director of Finance	\$245.93	\$307.42	\$368.90
650	Deputy Director of Human Resources	\$245.93	\$307.42	\$368.90
655	Deputy Director of Parks & Recreation	\$218.28	\$272.84	\$327.41
714	Deputy Director of Public Works – Field Operations	\$288.58	\$360.73	\$432.87
713	Housing Manager	\$229.49	\$286.86	\$344.24
656	Parks Superintendent	\$208.94	\$261.18	\$313.42
713	Planning Manager	\$229.49	\$286.86	\$344.24
712	Risk Manager	\$255.46	\$319.32	\$383.19

ARTICLE III FRINGE BENEFITS

SECTION 1 MEDICAL & DENTAL INSURANCE

A. Medical Insurance

The City will pay an insurance premium that is equivalent to the Kaiser HMO rate for the Southern California-Los Angeles area. Employees who select a more expensive plan will be responsible for any difference in premiums. The City will provide an amount equal to the one party Kaiser HMO rate for the Southern California – Los Angeles area, per month, in deferred compensation to those employees who do not purchase health insurance, but can show proof of medical insurance coverage on an annual basis. The current Kaiser – Southern California rate can be requested from the Human Resources Office.

For the Risk Manager and/or the Housing Manager hired on or after October 1, 2022, to on or before March 30, 2023, they will receive up to \$1,000 + 1.00% of his/her annual salary, monthly towards mandatory health and dental coverage, which includes the required CalPERS monthly contribution. In lieu of this benefit, Employees may receive an amount in cash up submittal of waiver and proof of enrollment in an alternative group health plan and annually each year after; however, in lieu cash out is limited to \$900 per month.

B. Dental Insurance

Dental Health Services (DHS) plans will no longer be available for bargaining unit employees.

The current dental plan year is March 1, 2014 to February 28, 2015. The City currently pays the maximum amount of \$48.70 towards an employee's dental plan coverage. This rate of \$48.70 is equivalent to Dental Health Services (DHS) HMO plan family coverage rate.

Effective March 1, 2015, the City will pay the maximum amount equivalent to the current DHS HMO plan family coverage rate of \$48.70 or Delta Dental HMO plan family coverage rate, whichever is higher. Employees who select more expensive plans will be responsible for any difference in premiums. The City will provide an amount equal to the Delta Dental HMO plan family coverage rate per month in deferred compensation to those employees who opt out of the City's dental insurance. Employees must show proof of alternate dental insurance coverage on a yearly basis in order to receive payment provided herein.

For the remainder of the 2014/15 contract and until the 2015/16 contract is approved, the City will cover the increase in cost of switching from Dental Health Services PPO and EPO plans to the equivalent Delta Dental PPO plans.

Example 1: Employee A, currently enrolled in Dental Health Services PPO family coverage has a premium rate of \$186.15; the City pays \$48.70; and the employee is responsible for paying \$137.45. Employee A can switch to Delta Dental PPO family coverage with a premium rate of \$211.30; the City will pay \$48.70, plus \$25.15 (the difference between the employee's new premium level of responsibility of \$162.60 and the old level of responsibility of \$137.45) for a total of \$73.85; and the employee is responsible for paying \$137.45.

Example 2: Employee B, currently enrolled in Dental Health Services EPO employee only coverage has a premium rate of \$40.05; the City pays \$19.95; and the employee is responsible for paying \$20.10. Employee B may elect to switch to Delta Dental PPO employee only coverage with a premium rate of \$68.88; the City will pay \$19.95, plus \$28.83 (the difference between the employee's new premium level of responsibility \$48.93 and the old level of responsibility of \$20.10) for a total of \$48.78.

C. Vision Plan

Effective on the first of the month as soon as feasibly possible following the date the City Council approves this MOU, the City agrees to contribute up to the monthly dollar amount equal to the VSP Choice Plan B Copay: \$10/10 employee plus family coverage rate toward vision plan coverage.

For the Risk Manager and/or the Housing Manager hired on or after October 1, 2022 to on or before March 30, 2023, the City will pay the employee and up to two (2) dependents party HMO plan premium.

D. Opt Out

Employees who have not opted out of City-provided Medical and Dental insurance prior to July 1, 2023, and who later opt out of City-provided Medical and Dental insurance shall receive one-half of the premium amount for which they would otherwise qualify. For those current employees who opted out prior to July 1, 2023, shall continue to receive 100% of the premium amount for which they would otherwise qualify.

SECTION 2 LIFE INSURANCE

The City shall provide \$100,000 Life and Accidental Death and Dismemberment Insurance for all employees represented by the Association. However, at age 65, coverage is at 65%; at age 70, coverage is at 40%; at age 75, coverage is at 25%; and at age 80, coverage is at 15%.

SECTION 3 VOLUNTARY LIFE INSURANCE

Eligible employees will be offered the opportunity to purchase life insurance in addition to the life insurance paid for by the City. Currently the voluntary life coverage is provided by The Guardian and establishes the terms and conditions regarding coverage. If, due to a change in insurance carrier or other reasons, any significant features of the

Plan need to be changed, the City will Meet and Confer with the Association before the changes are implemented.

SECTION 4 SECTION 89 CONSIDERATIONS

The City shall comply with IRS Section 89 requirements as mandated by Congress and, should there be any changes regarding said implementation which would require Meet and Confer, then the City shall notify the Association immediately.

SECTION 5 RETIREMENT

A. Employee Contributions

All employees will pay the employee's 8 % contribution to the retirement plan. Starting on July 1, 2023, all represented Unit members, "Classic" and "PEPRA" as defined by CalPERS, shall pay an additional 1% towards the employer CalPERS contribution as cost sharing to be implemented by a CalPERS contract amendment and an additional 1% (for a total of 2%) starting July 1, 2024.

B. Additional Retirement Benefits

The following are benefits provided to employees and their eligible dependents/beneficiaries under the terms of the retirement plan:

1. **One-Year Final Compensation** - Final compensation is calculated using the last (or highest) twelve consecutive monthly pay rates;
2. **Post-Retirement Survivor Benefit** - Provides that upon death of a member after retirement, an allowance shall be continued to the surviving spouse;
3. **Post-Retirement Survivor Benefit to Continue After Remarriage** - Allows the survivor allowance to continue even though survivor of a retiree re-marries;
4. **Continuation of Death Benefits After Remarriage** - Provides that the Death Benefits being paid to a spouse of a member who died prior to retirement will be continued in full should the spouse remarry.
5. **The "2.7% at Age 55" Retirement Formula** - Calculation of retirement benefit;
6. **The 1959 Survivor Benefit at Level 4** - Higher level of benefits than the Basic or other levels of the benefit;
7. **Military Service Credit** - Credit of maximum of four years of service;
8. **Unused Sick Leave Credit** - Receive additional service credit at the rate of 0.004 years of each day of sick leave.

C. Retiree Medical Insurance

The City's DMA retirees continue to be covered by the City's Public Employees' Medical & Hospital Care Act (PEMHCA) resolution. For those who retired prior to July 1, 2023, and who retired with twenty (20) or more years of City service and remain in a CalPERS medical plan or enroll in a CalPERS medical plan, and remain so retired, they shall continue to receive a medical insurance benefit not to exceed one hundred and fifty dollars (\$150) per month. For those employees who retire on or after July 1, 2023, and retire with twenty (20) or more years of City service and remain in a CalPERS medical plan or enroll in a CalPERS medical plan, and remain so retired, they shall receive a medical insurance benefit not to exceed three hundred dollars (\$300) per month. This section specifically makes no provision for any dependents of the retiree. The retired employee will continue to have the option to purchase medical insurance for him-/herself and his/her dependents, as currently provided at his/her own expense.

The City agrees to notify employees of the need to enroll or remain in a CalPERS medical benefit plan to receive this benefit at the time the employee submits the "Intent to Retire" packet.

SECTION 6 DEFERRED COMPENSATION

The City currently offers several deferred compensation plans to employees and said plans offer a savings plan only. Enrollment in such plans is on an ongoing basis.

Effective the first full pay period after the City Council approves this MOU, the City shall match one hundred percent (100%) of employee contributions toward deferred compensation plans up to a maximum of twelve hundred dollars (\$1,200) per calendar year.

For the Risk Manager and/or the Housing Manager hired on or after October 1, 2022, to on or before March 30, 2023, the City shall match employee contribution up to \$550 per month.

SECTION 7 RISK MANAGEMENT PROGRAM

The City is concerned with safety, loss reduction, and increased productivity. To address these issues, the City will meet periodically with the Association to discuss plans that will focus on issues such as, the non-use of sick leave, safe driving record, and safety/loss recovery suggestion award program.

SECTION 8 PHYSICAL FITNESS

Each employee shall receive a membership at the South Gate Sports Center in the South Gate Park. The membership will be determined in the following manner:

- A. Employees shall receive a family membership (spouse and dependent children) that will be provided at no cost and includes access to the golf course and swimming pool. This membership includes free access to all Park facilities that are open to the public, but excludes City sponsored classes that require a fee.

SECTION 9 LONG-TERM DISABILITY

As of June 1, 2018, the City pays for the Long-Term Disability coverage through Reliance Standard, or whichever company the City may contract for similar services in the future.

**ARTICLE IV
LEAVE POLICIES**

SECTION 1 HOLIDAY LEAVE

A. Entitlement

Employees who are on the payroll as of July 1st of each Fiscal Year, shall be credited with appropriate Holiday Leave per Section B. Employees in those Pay Plan Categories referred to above hired after the 1st of each Fiscal Year will be credited as the date of hire with ten (10) hours of holiday leave for each designated holiday remaining in the Fiscal Year. Entitled employees may be absent from work but nevertheless receive compensation at the employee's then current rate of pay on either (a) the holidays designated below; or (b) days otherwise scheduled in advance and agreed upon between the employee's supervisor and the employee. Entitled employees shall earn Holiday Leave in increments of ten (10) hours if the employee is working or on paid leave both as the holiday occurs during the calendar year, and at the commencement of the day following the designated holiday. Holiday Leave time used shall be deducted from the hours credited in increments according to the employee work schedule. Holiday hours may not be carried over to a succeeding year.

B. Each fiscal year, the City shall observe the following named holidays:

New Year's Day	New Year's Day January 1 st
Martin Luther King's Birthday	Third Monday of January
President's Day	Third Monday of February
Cesar Chavez Day	Last Monday in March
Memorial Day	Last Monday of May
Independence Day	July 4 th
Labor Day	First Monday of September
Thanksgiving Day	Fourth Thursday of November
Christmas Eve	December 24 th
Christmas Day	December 25 th

Each fiscal year, all employees will get 130 hours of paid Holiday Leave. The City will observe the ten (10) days set forth above, plus thirty (30) additional hours each year. The thirty (30) additional hours will be applied to effectuate a full week of closure between Christmas and New Year's Day. In the event that less than thirty (30) hours is necessary to effectuate the full week of closure, the balance of the 30 hours will be observed as floating day(s). Any employee that works without regard to holidays (i.e., police communications, records, jailers, only) – holidays are observed on the actual day of the holiday, including the Closure days between Christmas and New Year's Day. Any employee that works with regard to holidays – holidays that fall on Friday or Saturday become floaters. Holidays that fall on Sunday are observed on Monday. If two-day holidays fall on Sunday/Monday, then holidays are observed Monday/Tuesday. At the beginning of each Fiscal Year, employees will be credited with the total hours of Holiday Leave for that fiscal year, and all Holiday

Leave must be utilized during the Fiscal Year. Holiday Leave used shall be deducted from the hours credited in increments of eight (8) or ten (10) hours for each day taken, according to the employee's work schedule. Employees who are scheduled to work on holidays will be paid their normal daily rate of pay for hours worked. The employee will have the option to: (1) take the holiday off at another date to be scheduled by the department head as work schedules permit, or (2) be paid for that holiday at his/her straight time rate of pay, in addition to the pay he/she received for working the Holiday.

All accrued unused holiday leave that was not used by the end of each fiscal year shall be cashed out at the employee's rate of pay and returned to zero so that, on July 1st of the new bank of one hundred thirty(130) hours is all that is carried forward. Any possible raise that was or is negotiated or implemented as part of any successor MOU shall not apply to the cash-out amount or pay rate used for the cash-out amount. City Holiday Leave is not intended to be carried over from one fiscal year to a succeeding fiscal year. Any unused Holiday Leave hours will automatically be cashed out at the end of the fiscal year at the employee's base pay rate.

SECTION 2 VACATION

- A.** Each employee shall earn vacation in the following manner:
- One (1) to four (4) years of service: 80 hours annually
 - Five (5) to nine (9) years of service: 120 hours annually
 - Ten (10) or more years of service: 160 hours annually

For the Risk Manager and/or the Housing Manager hired on or after October 1, 2022 to on or before March 30, 2023, he/she shall receive 120 hours per year at 4.62 hours per pay period until reaching ten (10) or more years of service with the City at which time he/she will be entitled to receive 160 hours per year.

Accrued but unused vacation may be carried over from year to year; however, the maximum allowable vacation accrual is three hundred and fifty (350) hours. If an employee's vacation accrual is at the maximum level, the employee will not accrue additional vacation until the employee's vacation accrual is below the maximum level.

- B.** By no later than December 15 of any calendar year, an employee wishing to convert a portion of their future accumulated vacation leave to cash at the hourly rate of base pay then existing, shall notify the Personnel Officer in writing on a form to be supplied by the City of his/her cash out request, including the amount to be cashed out and acknowledging that the request is irrevocable. In order to be eligible to convert a portion of accumulated vacation leave to cash, an employee must maintain one hundred (100) hours of vacation leave within the employee's account balance after any distribution has been made. Said employee shall be entitled to request a cash distribution up to forth (40) hours and shall be paid the first payroll period in the following May.

SECTION 3 SICK LEAVE

A. Entitlement

Employees shall earn one hundred twenty (120) hours of sick leave per year prorated by pay period.

B. Sick Leave Program

1. Sick leave accrual shall remain unlimited.
2. **Illness or Injury Leave Notification and Verification Procedure:** In the event of an absence due to illness or injury, employees must notify their Department Head (or the Department Head's designee), prior to or at the beginning of their shift starting time. Employees who are incapacitated and cannot notify their Department Head, must notify their Department Head at the earliest possible time and may have a spouse or other person contact their Department Head within the time limit specified above.
3. Employees who become ill or injured while working on the job must request approval of their Department Head to leave work. Those employees injured on the job must file a "First Report of Injury" form and receive authorization for medical treatment from their Department Head.

The notification to the Department Head must include a reason for the absence that is in accordance with current law and an estimated return date. This information will be logged by the department for future reference.

4. Failure to notify the Department Head, as stated in Section (3)(B)(1), will result in the forfeiture of the sick leave for the period of absence and may result in disciplinary action.
5. All absences not due to illness or injury must be requested as noted in the appropriate leave sections.
6. **Verification -** In the event that employees have, in his/her Department Head's sole opinion, an absenteeism problem, an excessive use of sick leave, or have a suspicious absence or group of absences, the Department Head may attempt to verify the absence or proper use of sick leave by any of the following:
 - a. Telephoning the employee at home (or appropriate location).
 - b. Visiting employee at home.
 - c. A sub-rosa investigation.
 - d. A medical evaluation at the City's expense, or
 - e. A medical evaluation at the employee's expense (A licensed physician must complete the medical evaluation that must include the reason for the absence and permission to return to work.

7. Where an excessive absenteeism pattern has been established without clear justification for said leave, a Department Head may schedule a counseling session to determine the reasons or justification for the excessive use. The Personnel Officer shall conduct the counseling session and other attendees of the session shall include the employee, a representative chosen by the employee, if any, and the department representatives. This session shall be documented by a written summary of the abuse problems and discussion. The Personnel Officer shall issue the summary and a copy distributed to attendees of the session and to the affected employee's Personnel file. The purpose of the counseling session is to improve the employee's attendance and/or warn the employee about the consequences of continued abuse. If there is a specific abuse that warrants discipline, or if the above counseling session does not correct abuses, then action will be taken to correct the abuse problem through the discipline process.
8. For the Risk Manager and/or the Housing Manager hired on or after October 1, 2022, to on or before March 30, 2023, up to 24 hours of Personal Emergency Leave may be taken in any fiscal year. Such hours shall be taken out of the employee's sick leave bank.

C. Sick Leave Advances

The City will not provide advances in sick leave when an employee has depleted his/her sick leave balances.

D. Sick Leave Payoff

Sick leave accrual shall remain unlimited. An Employee hired on or before December 31, 1992, shall be eligible to cash out all accrued sick leave at the hourly rate, as defined below, of FLSA hourly pay of the Employee then existing on the date of his/her retirement from employment. For employees hired on or after January 1, 1993, and on or before June 30, 2022, the sick leave "payoff" shall be limited to 600 hours at the hourly rate, as defined below, of FLSA hourly pay of the Employee then existing on the date of his/her retirement from employment. Employees hired on or after July 1, 2022, shall not be entitled to sick leave cash-out option upon separation. Sick leave will remain available for conversion upon retirement to CalPERS service credit as then allowed by the City's CalPERS contract. Employees whose separation is for any reason other than retirement, termination without cause, or lay off, shall not be entitled to any sick leave cash out.

In order for an employee to qualify for this Sick Leave Payoff provision, the employee must have at least 15 years of continuous service to the City of South Gate and retire from both the City and from CalPERS.

The calculation of the hourly rate a retired employee shall receive under this payoff provision shall be as follows:

15 - 19 years of service - 50% of hourly rate base rate.

20 – 24 years of service - 75% of hourly rate base rate.

25 years or more of service - 100% of hourly rate base rate.

SECTION 4 PAY FOR JURY DUTY

A. All employees who are called for Jury Duty shall be entitled to a maximum of ten (10) days at full salary. Employees are obligated to inform the Judge that City policy is to only pay ten (10) days of service. Should an employee, through no fault of his/her own, be required to serve beyond ten (10) days, the employee will receive full salary for Jury Duty service up to an additional twenty (20) days. Exceptions may be made to this policy by the City Manager in very unusual circumstances.

B. Attendance

A record of attendance from the Court is required and shall be turned in weekly for payroll purposes. Such record is available from the Court Administrator's office. Employee on shifts other than the normal shift shall have off the equivalent time to actual jury service plus reasonable travel time to and from their places of residence; likewise, employees on the regular work shift, who serve on night court juries will have off the actual time of service plus reasonable travel time to and from their places of residence. Employees who serve on jury duty for partial days are expected to report to work if they are released from jury duty within a reasonable amount of time to report back to work (e.g. an employee on day shift serving on South Gate Court duty would be expected to return to work if excused prior to or at 4:00 p.m. However, an employee serving on jury duty for example, in downtown Los Angeles excused at 4:00 p.m. would not be expected to return to work that day). If the option for call-in service is available and workable (the court is within thirty (30) minutes travel time of South Gate), an employee should request call-in status.

SECTION 5 LEAVE WITHOUT PAY

A leave of absence without pay, up to ninety (90) calendar days in any calendar year, may be granted upon the approval of the Department Head and the Personnel Officer. Leaves of absence in excess of ninety (90) calendar days must be approved by the Personnel Officer, provided, however, that for leaves of absence other than for illness or injury during any three (3) calendar year period shall not exceed one hundred eighty (180) calendar days. In the case of a bona fide illness or injury, a medical leave may be granted up to a maximum of one (1) year upon the approval of the Department Head and the Personnel Officer. In the event that an employee has no eligible leave to cover an absence from work, authorized or unauthorized, the Department Head and the Personnel Officer

may approve the short term leave with due consideration of the employee's work record (with possible counseling or discipline considerations). All applications for leaves of absence without pay shall be submitted to the Personnel Officer on a Personnel Transaction Form. The City shall have sole discretion whether or not to grant a leave of absence without pay and the City's decision is not subject to grievance and/or appeal.

A. Catastrophic Illness/Injury

If an employee is diagnosed by a qualified Doctor of Medicine to have a catastrophic illness (in a state of total disability from cancer, heart attack, AIDS, etc.) or has a catastrophic injury (an injury that totally disables an employee for an extended period of time), the employee may be entitled to extended health benefit coverage (Medical, Dental, & Life ins.) provided by the City (in the same fashion normally provided to the employee). This benefit requires the approval of the Department Head and Personnel Officer, and is applicable when the employee's leave benefits are exhausted, under the following formula:

<u>Years of Full-Time City Employment</u>	<u>Months of Continued Coverage</u>
After (2) years	3 months
After 4) years	6 months
After (7) years	9 months
After (10) years	12 months

SECTION 6 MATERNITY LEAVE

The application of the maternity leave policy is subject to applicable State and Federal laws. The employee may use accrued paid or unpaid leave as appropriate.

SECTION 7 FAMILY MEDICAL LEAVE ACT

Pursuant to State & Federal law, the City will provide family and medical care leave to eligible employees. The following provisions set forth employees' rights and obligations with respect to sick leave. Rights and obligations that are not specifically set forth below are set in the Department of Labor regulations implementing the Federal Family and Medical Leave Act of 1993 (FMLA), and the regulations of the California Fair Employment and Housing Commission implementing the California Family Rights Act (CFRA). Unless otherwise provided by this section, "Leave" under this provision shall mean leave pursuant to the FMLA and CFRA.

- A. Amount of Leave - Eligible employees are entitled to a total of 480 hours of leave during any 12-month period. An employee's entitlement to leave for the birth or placement of a child for adoption or foster care expires 12 months after the birth or placement. The 12-month period for calculating leave entitlement will be a "rolling period" measured backward from the date leave is taken and continues with each additional leave day taken. Thus, whenever an employee requests leave, the City will look back over the previous 12-month period to determine how much leave has been used in determining how much leave a member is entitled to.

- B. Use of Accrued Leaves While on Leave - If a member requests leave for any reasons permitted under the law, that person must exhaust all accrued leaves in connection with the leave. The exhaustion of accrued leave will run concurrently with the leave.

SECTION 8 BEREAVEMENT

The term “immediate family” is defined as the spouse, children, brother, sister, parent, parent-in-law, grandparent, or grandchild of the employee. For all DMA members except for the Risk Manager and/or the Housing Manager hired on or after October 1, 2022 to on or before March 30, 2023:

A. Within the State

The employee shall receive thirty (30) hours leave, not chargeable to any other leave, when employee travels within the state due to the death of an immediate family member. Employees who travel within the state may take an additional forty (40) hours of leave chargeable to sick leave.

B. Out of State

The employee shall receive forty (40) hours leave, not chargeable to any other leave, when employee travels out of state due to the death of an immediate family member. Employees whose bereavement requires travel out of state may take an additional thirty (30) hours leave chargeable to sick leave.

For the Risk Manager and/or the Housing Manager hired on or after October 1, 2022 to on or before March 30, 2023, he/she is entitled to 40 hours of bereavement leave and up to 48 hours if the interment service is over 300 miles away.

SECTION 9 JOB RELATED INJURY OR ILLNESS

In the event of an absence due to a job related injury or illness, any employee who is entitled to disability payments under Workers’ Compensation laws shall receive from the City the difference between such disability payments and his/her full salary for the period of absence up to a maximum of four hundred eighty (480) hours for any one injury or illness. This period of four hundred eighty (480) hours shall not be deducted from accumulated sick leave. However, any relapse at a later date shall not be compensable under this provision, although the same may be chargeable against accumulated, unused sick leave, if any.

SECTION 10 MILITARY LEAVE

Military leave is restricted to normally required active duty and does not apply to such matters as weekend drills, etc. Leaves of absence for active military training, service, or other active duty obligations shall be granted in accordance with California and Federal law. Applicable laws shall govern compensation, reemployment, seniority and other rights and privileges. In order to verify the right to such leave, the employee shall cause a copy of his/her orders to and from military duty to be filed with the City's Personnel Officer. Military Leave is recorded on the employee's time sheet and approved by the Department Head. Employees are entitled to receive a maximum of eighty (80) hours of paid leave per fiscal year for annual military training. Employees are entitled to receive up to an additional thirty (30) days (300 hours) of paid military leave if they are called to active duty (other than annual training) in the National Guard or one of the branches of the U.S. Military.

SECTION 11 ADMINISTRATIVE LEAVE

- A. Employees will be provided Administrative Leave of eighty (80) hours per year. Employees may carry over unused Administrative Leave to the following fiscal year, but at no time shall an employee maintain a balance of Administrative Leave greater than eighty (80) hours. No administrative leave shall accrue beyond the established eighty (80) limited until the leave balance falls below that limit.
- B. By no later than December 15 of any calendar year, an employee wishing to convert a portion of his/her future accumulated leave to cash out at the hourly rate of base pay then existing, shall notify the Personnel Office in writing on a form to be supplied by the City of his/her cash out request, including the amount to be cashed out and acknowledging that the request is irrevocable. Said employee shall be entitled to request a cash distribution of up to eighty (80) hours and shall be paid the first payroll period the following May.
- C. For the Risk Manager and/or the Housing Manager hired on or after October 1, 2022, to on or before March 30, 2023, the amount of leave that may be accumulated at any one time is increased to one hundred (100) hours. However, upon reaching such maximum accumulation, the employee shall cease earning additional administrative leave hours or may choose to cash out up to 80 hours upon his/her anniversary date.

ARTICLE V
DISCIPLINE & PROBLEM RESOLUTION

SECTION 1 DISCIPLINE PROCEDURE

A. Causes for Discipline

The following are examples of conduct, which shall constitute cause for disciplinary action up to, and including discharge of an employee or any candidate whose name appears on any eligibility list:

1. Willfully or corruptly making any false statements, certificates, marks, ratings, reports, failing to disclose material facts or in any manner committing or attempting any fraud.
2. Incompetence.
3. Inefficiency.
4. Neglect of duty.
5. Insubordination.
6. Dishonesty.
7. Violation of City's Drug Free Work Place Policy.
8. Intemperance.
9. Absence without authorized leave.
10. Conviction of a felony or conviction of a misdemeanor involving moral turpitude. A plea or verdict of guilty, or a conviction following a plea of nolo contendere, to a charge of a felony or any offense involving moral turpitude is deemed to be a conviction within the meaning of this Section.
11. Immorality.
12. Discourteous treatment of the public or other employees, including sexual harassment.
13. Improper political activity.
14. Willful disobedience.
15. Misuse of property owned by, leased to, or under the charge of the City.
16. Violation of any of the prohibitions set forth in Government Code Sections 1090 et seq. and Section 1126. (Related to conflict of interest activities).
17. Refusal to take and subscribe any oath or affirmation that is required by law in connection with employment.
18. Any other failure of good behavior either during or outside of duty hours which is of such a nature that it causes discredit to the City, its officers or employees.
19. Injury to persons.
20. Waste of material.
21. Advocating violent overthrow of government. (Government Code Section 1028)
"It shall be sufficient cause for the dismissal of any public employee when such public employee advocates or is knowingly a member of the Communist Party or of an organization which during the time of his/her membership he/she advocates overthrow of the Government of the United States or of any state by force or violence."
22. Any unauthorized use of City uniforms.
23. Any violation of City or departmental policies and rules.
24. Violation of City's Discrimination/Harassment Policy.

B. Disciplinary Action

The Personnel Officer or appropriate appointing authority may take disciplinary action against an employee for one or more of the causes for discipline specified herein above in 1.A. The term "disciplinary action," shall be limited in meaning to any of the following:

1. Demotion, Discharge, or Reduction in Salary

Such disciplinary action may take the form of discharge, reduction in salary, or demotion where there is a vacancy in the same classification series at a lower level within the department.

2. Suspension

An appointing authority may suspend an employee for one or more of the causes for discipline specified in these rules for a period of up to thirty (30) days.

3. Reprimand and Warnings

A written reprimand or written warning is part of the disciplinary process when an action or series of actions by an employee does not warrant discipline as noted in sections B.1 and B.2, however does warrant written notification for corrective purposes. A Supervisor (or appropriate management personnel) may issue a written reprimand or written warning to an employee for one or more of the causes for discipline specified in these rules. Written reprimands and/or written warnings are not subject to any appeal or grievance.

SECTION 2

PROBLEM RESOLUTION

A. General Policy

It is the policy of the City to encourage employees to resolve work-related problems at the earliest possible opportunity; and for management employees to assist employees in the timely solution of problems whenever possible. For almost any work-related problem, employees are urged to talk with their immediate supervisor first to try to resolve the problem before taking further action. This section is for the purpose of specifying procedures for solving problems, providing guidelines for disciplinary and dismissal actions and detailing methods by which employees may appeal actions that they believe are unjust or unwarranted.

B. Non-Disciplinary Problems

1. **Compensation Problems** - Employees who have any problems with their pay or benefits, should report it to their departmental office immediately upon discovery. A problem regarding a paycheck should be reported no later than ten (10) calendar days after receipt of the paycheck. If the action requires Personnel Office adjustments, the department representative will contact the Personnel Office to resolve the problem.

2. **Workers' Compensation Problems** - Employees who feel they are not receiving the workers' compensation benefits for which they qualify, should contact the Personnel Department, which will contact the City's workers' compensation administrator. Many questions can be cleared up with a telephone call.

3. Insurance, Benefits or Retirement Problems - Employees who have a problem regarding any of the City's insurance or benefits or want information regarding retirement, should contact the Personnel Office.
4. Other Non-Disciplinary Work Related Problems - Any problem not otherwise covered in this section that an employee is unable to resolve through informal means may be submitted for resolution through the grievance procedure.
5. Interpretation of Memorandum of Understanding Provisions Employees who have a problem that relates to a provision in or an interpretation of this Memorandum of Understanding, should contact the Association. If the problem is not resolved through informal discussions, the Association may file a grievance.

C. General Definitions

1. Working Days - The "working day" shall be considered for administrative convenience to be Monday through Thursday, from 7:00 a.m. to 6:00 p.m., excluding Holidays.
2. Time Limits - The failure to submit an appeal within the time limits specified in the various steps provided above shall result in the settlement of the discipline appeal in accordance with the last answer or response given that shall be final and binding.
3. Procedural Extensions - The procedural times set forth herein are absolutely binding upon both parties and will not be considered waived, unless said waiver is in writing and agreed to by both parties.

SECTION 3 GRIEVANCE PROCEDURE

A. Scope

This Grievance Procedure shall be the exclusive means for resolving all grievances as that term is defined hereinabove except that the following disputes shall not be subject to the provisions thereof:

1. Any dispute arising out of or in connection with meeting and conferring pursuant to Resolution No. 3674.
2. Any dispute arising in or from, or involving a strike, work stoppage or cessation of work in any form by employees of the City.

B. Procedure

STEP 1

A grievance may be initiated in this Step by an employee or group of employees by presenting the grievance orally to the immediate supervisor of the employee or employees involved. The grievance must be submitted to said supervisor within fifteen (15) working days following the occurrence of the event upon which the grievance is based. The supervisor will give an oral answer to the employee or employees involved within no more than fifteen (15) working days after the grievance was orally presented.

STEP 2

If the grievance remains unresolved after Step 1, the grievance may be moved to Step 2 by submitting the same to the Department Head. The grievance shall be submitted in writing on a form supplied by the City. The grievance must be submitted in Step 2 no later than five (5) working days after the answer in Step 1 has been received or the time for such answer has expired. Within no more than five (5) working days after receipt of grievance, a meeting will be held with the Department Head and the employee or employees involved. A representative of the employee or employees may be present if requested. Grievances submitted in Step 2 shall be answered in writing within five (5) working days of said meeting.

STEP 3

1. If the grievance remains unresolved after Step 2, the grievance shall be moved immediately by the Department Head or the employee or employees involved to Step 3 by submitting a copy of the written form provided in Step 2 to the Personnel Officer.
2. Within no more than five (5) working days after receipt of the written grievance, a meeting shall be scheduled between the Personnel Officer and the employee or employees involved. A representative of the employee or employees may be present if requested.
3. Grievances involving a dispute between the City and the Association may be initiated in this Step by either party in said written form within five (5) working days of the occurrence of the event giving rise to the grievance. In that event, a meeting shall be scheduled within five (5) working days of receipt of said written grievance between no more than two (2) designated representatives of the City and two (2) of the Association. In addition, the employee or employees involved, if any, the Department Head shall be entitled to be present at the meeting.
4. Grievances submitted in Step 3 shall be answered by the Personnel Officer in writing within five (5) working days of said meeting(s).

STEP 4

If the dispute remains unresolved after Step 3, the aggrieved party can request final binding Arbitration under the rules of the American Arbitration Association. Each party will pay their own legal costs. The City and the employee will share the costs of the American Arbitration Association equally.

C. General Definitions

1. Employee Representative - The employee "representative" referred to in Steps 2 and 3 above may be an employee of the City.
2. Grievance Defined - Grievance means any dispute or difference between the City and any employee or group of employees, concerning the interpretation or application of any written City ordinance, resolution, rule, policy, practice or procedure governing the wages, hours and working conditions of City employees. The term "grievance" also includes any dispute or difference between the City and the Association concerning the interpretation or application of any existing memorandum of understanding between the City and the Association.

3. Procedural Extensions - The procedural times set forth herein are absolutely binding upon both parties and will not be considered waived, unless said waiver is in writing and agreed to by both parties.
4. Time Limits - The failure to submit a grievance within the time limits specified in the various steps provided above shall result in the settlement of the grievance in accordance with the last answer or response given which shall be final and binding.
5. Working Days - The "working day" shall be considered for administrative convenience to be Monday through Thursday, from 7:00 a.m. to 6:00 p.m., excluding Holidays.

ARTICLE VI
IMPLEMENTATION OF MEMORANDUM OF UNDERSTANDING

SECTION 1 WAGE RIGHTS

- A. The Association promises and warrants, that upon acceptance of the aforementioned recommendations of the City's Representative's Designee by the City Council, its members will provide service to the City upon the terms and conditions herein stated.
- B. Subject to the provisions of this Agreement, the parties hereto do hereby agree and acknowledge that the City shall retain all its usual rights and responsibilities including, but not limited to, those set forth in Section 5 of said Resolution No. 4508.
- C. It is understood and agreed that this Memorandum of Understanding is subject to all present and future applicable Federal or State wage and salary control laws and regulations as well as all other applicable Federal and State laws and regulations. If any part of this Memorandum is in conflict or inconsistent with such applicable provisions of Federal or State laws or regulations, or is otherwise held to be invalid or unenforceable by any tribunal of competent jurisdiction, such part or provision shall be suspended and superseded by such applicable laws or regulations, and the remainder of this Memorandum of Understanding shall remain in full force and effect.

SECTION 2 REOPENERS

The parties do specifically agree to reopen the meet and confer process during the term of this MOU, but no sooner than June 1, 2024, only with regards to the following issues. These reopeners are not contingent upon the execution of any successor MOU and no successor MOU is contingent upon agreement on these reopeners. The City reserves the right to introduce changes to any other part of the MOU in an effort to come to an agreement on the below stated topic(s) to reopen the meet and confer process.

- 1. Annual Sick Leave Redemption Program

**Memorandum of Understanding between the City of South Gate and
the South Gate Division Management Association**

~Signature page~

The City and the Association acknowledge that this Agreement is entered into the ____ day of _____ 2024, and is subject to it being executed by authorized representatives.

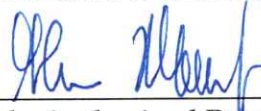
CITY OF SOUTH GATE:



Gil Hurtado, Mayor

Date: 5-22-24

**SOUTH GATE DIVISION
MANAGEMENT ASSOCIATION:**

By: 

Its Duly Authorized Representative

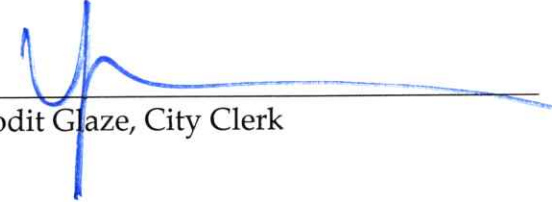
Date: 5/2/24

By: 

Its Duly Authorized Representative

Date: 5-6-24

ATTEST:



Yodit Glaze, City Clerk

(SEAL)

APPROVED AS TO FORM:



Raul F. Salinas, City Attorney