

AMENDED AND RESTATED

MEMORANDUM OF UNDERSTANDING

BETWEEN THE

CITY OF OROVILLE

AND THE

**OROVILLE MID-MANAGER AND CONFIDENTIAL
ASSOCIATION (OMCA)**

for the

PERIOD BETWEEN JULY 1, 2017 to JUNE 30, 2020

This Memorandum of Understanding, hereinafter referred to as the "Memorandum", has been approved by City Council Resolution No. 8660 adopted at its Regular Meeting of October 17, 2017; all changes to the terms and conditions of employment for employees in this OMCA represented bargaining unit included in this MOU shall become effective on the date of Council approval of this Resolution, unless another effective date is specified in the MOU.

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Section 1 RECOGNITION OF OROVILLE MID-MANAGER AND CONFIDENTIAL ASSOCIATION

The City of Oroville Recognizes the Oroville Mid-Manager and Confidential Association (OMCA) as the exclusive representative of the members, whether dues paying or non-dues paying, of OMCA in Classifications as set forth in attached Exhibit "A". The composition of this unit as reflected in Exhibit A was revised effective July 1, 2017.

The City agrees to allow each OMCA member a total of four (4) hours of release time per calendar year to attend quarterly OMCA meetings. The above release time can only be used in one (1) hour blocks. Use of the release time must have the prior approval of the member's department head well in advance of the meeting. If, in the sole discretion of the member's department head, the use of the release time will disrupt City operations, release time will be denied. Such release time can only be used for attendance at the quarterly meetings and shall not rollover into the next calendar year if not used.

As used in this MOU, the terms "member" or "employee" shall mean a City employee in the bargaining unit represented by OMCA.

Section 2 SCOPE OF REPRESENTATION

The scope of representation of the meeting and conferring shall include those matters as set forth in California Government Code Section 3500 et seq.

Section 3 MAINTENANCE OF BENEFITS

It is understood and agreed that there exists within the City, certain Personnel Rules, policies, and benefits regarding members covered by this Memorandum. In the event of proposed changes to City Personnel Rules and Regulations, the OMCA shall be advised, for the purpose of enabling the City and the OMCA to meet and confer with respect to any proposed changes. The City shall not have the right to change said Personnel Rules and Regulations which contravene specific provisions of this Memorandum without first meeting and conferring with the OMCA.

Section 4 CITY RIGHTS AND RESPONSIBILITIES

The City retains, solely and exclusively, all the rights, powers and authority exercised or held prior to the execution of this Memorandum, except as expressly limited by a specific provision of this Memorandum. Without limiting the generality of the foregoing, the rights, powers, and authority retained solely and exclusively by the City enumerated herein, include, but are not limited to, the requirements of this Memorandum and/or any provision of law whether it be statutory or judicial: To manage and direct its business and personnel; to manage, control, and determine the mission of its departments, building facilities, and operations; to create, change, combine or abolish jobs, departments and facilities in whole or in part; to subcontract or discontinue work for economic or operational reasons; to direct the work force; to increase or decrease the

work force and determine the number of employees needed; to hire, transfer, promote and maintain the discipline and efficiency of its employees to establish work standards, schedules of operation and reasonable work load; to specify or assign work requirements and require overtime; to schedule working hours and shifts; to adopt rules of conduct and penalties for violation thereof; to determine the type and scope of work to be performed and the services to be provided; to determine the methods, processes, means, and places of providing services and to take whatever action necessary to prepare for and operate in an emergency. Nothing in this Section shall be construed to limit, amend, decrease, revoke or otherwise modify the rights vested in the City by any regulating, authorizing or empowering the City to act or refrain from acting.

Section 5 SENIORITY

5.1 If performance, merit and ability are equal, then length of service within a Classification and higher Classifications shall be the determining factor in temporary appointments, layoffs, and rehire. A member whose job is being eliminated may elect to displace a member in a lower paid Classification if the member is qualified to perform the duties of the lower Classification, and if the member's length of service within the Department is greater than that of the member in the lower Classification.

5.2 Seniority shall be terminated by:

1. Discharge for cause
2. Voluntary termination
3. Retirement
4. Seniority shall not accrue for the term of any suspension or for leaves without pay in excess of thirty (30) days.

5.3 Reduction in Forces:

In reduction of forces due to slackness of work or insufficient funds, the last member hired within the affected department shall be the first laid off; provided however, that the remaining members are qualified to perform the available work. In rehiring, the last member laid off shall be the first member rehired if said rehiring occurs with a two (2) year period from time of the member's lay off.

Section 6 PAY FOR WORK IN A HIGHER JOB CLASSIFICATION

6.1 A member assigned to temporary duties of thirty (30) days or less within a calendar year in a higher job Classification, shall not receive the pay of the higher job Classification.

6.2 A member who accrues a total of more than thirty-one (31) days in a calendar year of temporary duties shall receive 5% above their base pay retroactively for all days so worked in a higher Classification.

- 6.3 If it is known at the time of assignment that the member will be assigned to duties in a higher job Classification for more than thirty-one (31) days, the member shall immediately receive 5% above base pay.

Section 7 COMPENSATION AND RETIREMENT

7.1 SALARY

Salary ranges for represented classifications shall be as specified on Exhibit B and C, and include two tiers – one for employees hired before October 1, 2016, and a second tier for employees hired on or after October 1, 2016.

- 7.2 Salary Re-Openers: The City or OMCA proposes a re-opener on salaries if a 1% decrease in the prior years audited actual core revenue base compared to the prior year or if a 5% increase in the prior years audited actual core revenue base compared to the prior year. These core revenue triggers would be negotiated and any change would go into effect the following July 1st.

Total City of Oroville Core Revenue Base: Property Tax, Sales & Use Tax, Transient Occupancy Tax, Utility User Tax, Franchise Tax, and Motor Vehicle in Lieu.

- 7.3 In the case of federal, state or local emergencies, if required to work in excess of normal duty hours, the OMCA member may be eligible for reimbursement should the City bill for, and receive, reimbursement for their work performed during such emergencies. Such reimbursement will only occur after the City receives compensation. The rate of reimbursement will be the salary rate billed by the City for the OMCA member. Any reimbursement in excess of the normal salary of the OMCA member will be retained by the City.

- 7.4 No salary advancement shall be made so as to exceed a maximum rate established in the plan for the class to which the employee's position is allocated unless approved by a majority of the City Council and a new rate established. Advancements shall not be automatic but shall depend upon increased service value of an employee to the City as exemplified by recommendations of one's supervising official, length of service, productivity, performance record, special training undertaken, or other pertinent evidence. Full-time, part-time or probationary employees may be considered eligible for merit increases in salary according to the following schedule:

- 7.4.1 The letters A, B, C, D, E, F, G and H, respectively, denote the various progressive steps in the salary range. However, some bargaining units may not have all 8 steps. See individual bargaining unit Memorandum of Understandings for appropriate step ranges, which prevail over the City of Oroville Personnel Rules and Regulations. Employees will normally be hired at Step A of the salary range.

- 7.4.2 Employees may receive salary Step B upon completion of one (1) year of unbroken employment in Step A, where the employee has demonstrated satisfactory job progress and normally increasing productivity, and have successfully passed their probationary period and upon written recommendation of the department head and approval of the Personnel Officer.
- 7.4.3 Employees may receive salary Step C upon completion of one (1) year of unbroken employment in Step B, where the employee has demonstrated satisfactory job progress and normally increasing productivity, and upon written recommendation of the department head and approval of the Personnel Officer.
- 7.4.4 Employees may receive salary Step D upon completion of one (1) year of unbroken employment in Step C, where the employee has demonstrated satisfactory job progress and normally increasing productivity, and upon written recommendation of the department head and approval of the Personnel Officer.
- 7.4.5 Employees may receive salary Step E upon completion of one (1) year of unbroken employment in Step D, where the employee has demonstrated satisfactory job progress and normally increasing productivity and upon written recommendation of the department head and approval of the Personnel Officer.
- 7.4.6 Employees may receive salary Step F upon completion of two (2) years of unbroken employment in Step E, where the employee has demonstrated satisfactory job progress and normally increasing productivity and upon written recommendation of the department head and approval of the Personnel Officer.
- 7.4.7 Employees may receive salary Step G upon completion of two (2) years of unbroken employment in Step F, where the employee has demonstrated satisfactory job progress and normally increasing productivity and upon written recommendation of the department head and approval of the Personnel Officer.
- 7.4.8 Employees may receive salary Step H where the employee has demonstrated satisfactory job progress and normally increasing productivity and upon written recommendation of the department head and approval of the Personnel Officer.

In regards to Steps F, G and H, each department head has the discretion to accelerate these steps to one (1) year in between increases for outstanding performance, upon written recommendation to, and approval by, the Personnel Officer.

- 7.6 On each July first during the term of this contract, all represented employees who were hired by the City prior to October 1, 2016 shall be credited with 24 hours of Personal Time Off (PTO). Employees may take PTO to coincide with the holiday season, November 1st through January 1st or other requested time which is approved by their department head. PTO days must be used within the calendar year they are credited or the time will be lost. Employees who were hired by the City on or after October 1, 2016 are not eligible to receive PTO.

7.7 RETIREMENT BENEFITS

- 7.7.1 **Retirement Benefits for Miscellaneous Members of CalPERS.** This section 8.7.1 applies to miscellaneous members of CalPERS.

- A. Retirement Benefits for Miscellaneous Members hired before January 1, 2013, and Classic members as determined by CalPERS.

Subsection A applies to miscellaneous members hired before January 1, 2013, and for "classic" members within the meaning of the Public Employees' Pension Reform Act of 2013 ("PEPRA") who are hired on or after January 1, 2013.

Benefit Formula: Members hired before January 1, 2013, and for "classic" members within the meaning of PEPRA who are hired on or after January 1, 2013, shall be eligible to receive the 2% at 55 retirement benefit formula.

Final Compensation: For purposes of determining a retirement benefit, final compensation for members covered by this section A shall mean the single highest year of compensation earnable.

Member Contribution: Members covered by this section A shall pay 100% of the required member contribution, which is 7%.

Additional Cost Sharing for Members Hired by the City on or After October 1, 2016

Effective the first day of the first full pay period in October 2016, in addition to paying the required member contribution of 7%, members covered by this subsection A who were hired by the City on or after October 1, 2016 shall pay, through payroll deduction, an additional 3% of compensation earnable toward the City's normal cost of pension benefits as permitted by Government Code 20516, for a total of 10%. The cost sharing described in this paragraph shall be implemented outside of a CalPERS contract amendment as authorized by Government Code Section 20516(f), and shall extend beyond the expiration of this Agreement and establish the status quo for purposes of future negotiations. OMCA and the City will take all actions necessary to implement the pension cost sharing agreement described in this paragraph.

B. Retirement Benefits for Miscellaneous Members Hired on or After January 1, 2013, and Who Are Not Classic members as determined by CalPERS.

Subsection B applies to miscellaneous members hired on or after January 1, 2013, who are not classic members as determined by CalPERS.

Benefit Formula: Members hired on or after January 1, 2013, who are not classic members as determined by CalPERS shall be eligible to receive the 2% at 62 retirement benefit formula.

Final Compensation: For purposes of determining a retirement benefit, final compensation for members covered by this subsection B shall mean the highest annual average pensionable compensation earned during 36 consecutive months of service.

Member Contribution: Members covered by this section shall pay 100% of the required member contribution, which is 50% of the normal costs established by CalPERS.

Additional Cost Sharing for Members Hired by the City on or After October 1, 2016

Effective the first day of the first full pay period in October 2016, in addition to paying 50% of normal costs as described above, members covered by this subsection B who were hired by the City on or after October 1, 2016 shall pay, through payroll deduction, an additional 3% of pensionable compensation toward the City's normal cost of pension benefits as permitted by Government Code 20516. The cost sharing described in this paragraph shall be implemented outside of a CalPERS contract amendment as authorized by Government Code Section 20516(f), and shall extend beyond the expiration of this Agreement and establish the status quo for purposes of future negotiations. The OMCA and the City will take all actions necessary to implement the pension cost sharing agreement described in this paragraph.

7.7.2 The City agrees to maintain the 4th Level 1959 Survivor Benefit for all members.

7.7.3 OMCA members shall pay full employee's share of the PERS contribution 7% for Miscellaneous). As permitted by Internal Revenue Code Section 414(h)(2) and Government Code Section 20516, each member shall pay through payroll deductions the CalPERS contributions described in this Article with state and federal income tax on the CalPERS member contribution deferred to the extent permitted by Internal Revenue Code, 26 USC Section 414(h)(2).

7.7.4 It is the intent of the Parties that the terms set forth herein be consistent with the provisions of the California Public Employees' Retirement Law ("PERL"), including the Public Employee Pension Reform Act of 2013 ("PEPRA"), as it May be amended from time to time. In the event that the

provisions of PERL/PEPRA are inconsistent with the provisions of this Agreement, the provisions set forth in PERL/PEPRA shall prevail.

7.8 FURLOUGH

Effective on the first day of the first full pay period after Council approval of this MOU, all employees in the bargaining unit will be subject to a work furlough that will reduce their salary and associated payments by ten percent (10%). The savings realized by the City associated with this work furlough and salary reduction will be placed in a PERS Rate Stabilization Trust to assist the City in funding future increases to PERS rates.

Under the work furlough program, each employee's work schedule shall be reduced by 8 hours per pay period, with an accompanying salary reduction of ten percent (10%) for each pay period. To implement the furlough, each represented employee may elect any one of the following schedules:

- A 4-day, 9-hour per day work week, so that 72 hours are worked per pay period;
- A 4-day, 10-hour per day work week with 8 hours off scheduled during the pay period so that 72 hours are worked per pay period;
- A 5-day, 8-hour per day work week with 8 hours off scheduled during the pay period so that 72 hours are worked per pay period.

The City shall work with each represented employee to establish a regular work period in accordance with the above options.

7.9 DEFERRED COMPENSATION

The City shall offer regular full-time employees the opportunity to participate in a Section 457 Deferred Compensation Plan National Deferred, without a City contribution. Effective as of the first City payroll period in July 2001, the City shall offer regular full-time OMCA members the opportunity to participate in a Section 457 Deferred Compensation Plan with the ICMA, without a City contribution.

Section 8 HOSPITAL MEDICAL BENEFITS

- 8.1 Health Insurance for represented employees hired by the City before October 1, 2016 - The City agrees to continue to provide insurance benefits for members and their dependents who are otherwise qualified and who desire coverage of medical, dental, life, vision, and long-term disability insurance. The City will make contributions to the premiums for employees enrolled in the City's plans, with contributions for premiums for medical and dental plans up to the following amounts:

	Gold PPO	HDHP-10%	Silver PPO
EE Only	100%	100%	100%
EE + 1	\$906.39	\$879.92	\$853.45
EE + Family	\$1,075.50	\$1041.09	\$1,006.68

In the event any other City employee group(s) receives a greater premium amount than stated above, the City agrees to increase health and dental premiums for OMCA members to that amount.

If the current plans become unavailable within the above cost parameter, and a substitute plan or plans with comparable benefits and cost are not available, then the OMCA and the City may reopen this issue for negotiation during the term of this Memorandum, and the parties shall then meet and confer as soon as possible in order to mutually attempt to resolve the situation. In addition to the above, the City shall pay the cost of life, vision and long-term disability insurance.

8.2 Health Insurance for represented employees hired by the City on or after October 1, 2016 - The City will provide insurance benefits for members and their dependents who are otherwise qualified and who desire coverage of medical, dental, life, vision, and long-term disability insurance. The City will make contributions to the premiums for employees enrolled in the City's plans, with contributions for premiums for medical and dental plans limited to a maximum of 100% of the premiums for the lowest cost premium for employee-only medical and dental plans. Represented employees shall be responsible for paying any premium amounts above this level. In addition to the above, the City shall pay the cost of life, vision and long-term disability insurance.

8.3 Health Insurance Review Committee

The City agrees to participate in a Joint Health Insurance Review Committee for the purposes of reviewing current insurance health benefits and Enhanced Retirement Benefits. The Human Resource Analyst and up to two (2) representatives from each City employee bargaining group may attend the meetings on behalf of the City of Oroville. The purpose of the Committee is ongoing review of health, dental and vision plans and the making of recommendations to the City Council, City Administrator and the OMCA members regarding benefit levels, services, methods of cost containment, alternative plans and the like. Committee members shall establish guidelines for conducting meetings, frequency of meetings and the Committee work program. Employee representatives shall not be charged vacation or other leave time if such meetings are held during the member's normal work hours, nor shall such members receive overtime or call-back pay for service on the Committee. The Committee shall have access to such nonconfidential information as necessary to carry out its purpose.

8.3 I.R.C. SECTION 125 COLLABORATION

Effective January 1, 2001, the City shall implement a premium only, 125 cafeteria plan administered through an approved provider.

8.4 The Employer shall maintain the carrier of the Disability Policy's waiting period to 90 calendar days.

8.5 Effective on or after January 1, 1998, and pursuant to an S.D.I. election, unit employees shall have the option to participate in the Employees State Disability Program.

Section 9 PROFESSIONAL AND EDUCATIONAL INCENTIVES

9.1 The City will pay the travel and subsistence expenses of Employee for professional and official travel, and meetings necessary and desirable to continue the professional development of Employee and to adequately pursue necessary official and other functions for Employer, including but not limited to those of the League of California Cities and such other national, regional, state and local government groups and committee thereof which Employee serves as member. Employee shall be subject to the policies on reimbursement for expenses in accordance with IRS Regulations.

9.2 The City will pay for the professional dues and subscriptions of Employee necessary for their continuation and full participation in national, regional, state and local associations and organizations necessary and desirable for their continued professional participation, growth and advancement, and for the good of the employer.

9.3 The City will make available to each member a maximum of \$1,500 per fiscal year for tuition reimbursement based upon all of the following criteria being satisfied:

Tuition reimbursement will be provided only under the following circumstances:

1. The member must be taking job-related undergraduate course work provided by a community college, college, or university or other WASC-accredited educational institution, in pursuit of an AA, AS, BA, BS or undergraduate certification. Graduate level course work will not be reimbursed, even if it is related to receiving an undergraduate degree.
2. Prior to enrollment, the member must submit to his/her department head and the City Administrator, a program curriculum outlining all classes needed for the degree for confirmation by the City as follows;
 - a. The program curriculum will include classes already passed which relate to the degree or certification.

- b. The program curriculum will indicate how the proposed undergraduate class fulfills the requirement of the undergraduate degree or certification.
- 3. Prior to reimbursement for the completed class, the member must submit documentation proving class completion with a grade of "B" or higher or a "Pass" grade for Pass/Fail courses and provide receipt indicating the tuition amount and payment thereof by the member.
- 4. Any tuition reimbursement is subject to available funding in the budget.

Once the member satisfies all the above criteria, the City will reimburse the member for the course. After the member obtains a BA or BS degree, he/she will no longer be eligible for this benefit.

- 9.4 A member who obtains a Master's Degree from a WASC-accredited institution that is not a requirement of their position and provides documented proof of such degree, shall receive an educational incentive equal to 3% of their base salary per month.
- 9.5 The City shall assume liability for notary duties performed by OMCA members in the scope of their City employment.
- 9.6 Effective January 1, 2016, an employee who obtains or is in possession of post-secondary education or a post-secondary degree (Associate's or Bachelor's Degree) and provides documented proof of such degree, shall receive an educational incentive payment equal to:

60 units/AA/AS -- \$125 per month pay increase;
 BA/BS -- \$250 per month pay increase.

In the future, and subject to bargaining between the City and the other bargaining units, the City intends to remove this benefit. On the date that the Education Pay Program is eliminated for all other City employees, it shall automatically be eliminated for the OMCA bargaining unit.

Section 10 RECOGNITION FOR LENGTH OF SERVICE

In recognition for many years of continuous service as a City of Oroville employee, the City shall make an annual award to each qualifying employee in the amounts shown below:

<u>Length of Continuous Service</u>	<u>Annual Award</u>
15 through 19 years.....	\$150.00 per year
20 years or more.....	\$300.00 per year

The City Council shall decide on the timing and manner for the award presentations.

The length of service pay provided by this Section 11 shall not apply to employees hired on or after October 1, 2016.

Section 11 VACATION POLICY

- 11.1 Every employee who on the most recent anniversary date of employment shall have been in the service of the City for a period of one (1) year or more shall be entitled to a vacation as follows:

Two (2) weeks (ten (10) working days) with pay if the employee shall have been in the service of the City for a period of one (1) year or more but less than five (5) years prior to such anniversary date.

Three (3) weeks (fifteen (15) working days) with pay if the employee shall have been in the service of the City for a period of five (5) years or more but less than twelve (12) years prior to such anniversary date.

- 11.2 Upon the completion of twelve (12) years of service with the City the employee shall be entitled to one (1) additional day of vacation with pay, and on each anniversary date of service thereafter to a maximum vacation benefit with pay of four (4) weeks (twenty (20) working days).

- 11.3 Unused vacation benefits may be accumulated from prior anniversary years. Employees hired by the City prior to October 1, 2016 shall cease to earn vacation benefits upon accumulating banked vacation hours equivalent to three (3) times the employee's annual earned vacation. Employees hired by the City on or after October 1, 2016 shall cease to earn vacation benefits upon accumulating banked vacation hours equivalent to one (1) times the employee's annual earned vacation. Subject to budget constraints or for special circumstances, and with the approval of the Department Head and the City Administrator, accrued vacation may be paid.

- 11.4 For the purpose of this Section, years of service shall mean years of unbroken seniority with the City which shall in no event be calculated from a date prior to the time the employee actually commenced working for such Employer.

- 11.5 An employee who, on their most recent anniversary date, has qualified for a vacation, but whose employment is terminated prior to taking such vacation, shall be entitled to pay in lieu thereof. Normally, the City shall not pay an amount in excess of the ceiling referenced in 12.3.

- 11.6 An employee, who, during an anniversary year is on leave of absence without pay for a period exceeding thirty (30) consecutive days, shall fail to qualify for full vacation benefits but shall be entitled to prorated vacation benefits. An employee whose employment is terminated prior to the completion of the anniversary year shall be entitled to prorated vacation. Vacation shall be prorated by dividing the straight time hours actually worked by 173.3, and then multiplying that factor by 1/12 the vacation the employee would have earned had the anniversary year been fully worked.

11.7 Conversion of Excess Vacation Carryover Hours to Sick Leave

Whenever an employee's accumulation of vacation hours exceeds the maximum vacation carryover allowance due to furloughs or denial of time off requests by their supervisor or department head, the excess number of vacation hours may be converted to sick leave hours and credited to the employee's sick leave accumulation balance at the end of the fiscal year. This shall be done at the employee's written request.

Section 12 ADMINISTRATIVE LEAVE

All former Mid-Management (OMMA) personnel, who were hired by the City prior to October 1, 2016, are eligible for 48 hours per fiscal year of Administrative Leave, based upon amount of time worked in addition to normal work hours and approved, in advance in writing by the Department Head. Such leave may be taken, upon approval of the Department Head, any time after it has been earned.

All former Confidential (OCCU) personnel, who were hired by the City prior to October 1, 2016, are eligible for 69 hours per fiscal year of Administrative Leave to compensate for time worked in addition to normal work hours. Members shall have the option to cash out up to 20 hours of administrative leave per fiscal year. Such leave may be taken upon approval of the Department Head, any time after it has been earned.

Employees who were hired by the City on or after October 1, 2016 are eligible for 24 hours per fiscal year of Administrative Leave to compensate for time worked in addition to normal work hours. Such leave may be taken, upon approval of the Department Head, any time after it has been earned.

Section 13 HOLIDAYS

13.1 The following shall be paid holidays to all employees:

- (1) New Year's Day, January 1
- (2) Martin Luther King Day, January
- (3) Lincoln's Birthday, February 12
- (4) President's Day, 3rd Monday in February
- (5) Memorial Day, last Monday in May
- (6) Independence Day, July 4
- (7) Labor Day, the 1st Monday in September
- (8) Veteran's Day, November 11
- (9) Thanksgiving Day, 4th Thursday in November
- (10) The day after Thanksgiving
- (11) The last working day before Christmas
- (12) Christmas Day, December 25

- 13.2 Employees shall be compensated for each holiday based on the amount of time in the regularly assigned shift on the holiday. If a holiday falls on an employee's regularly scheduled day off, the employee may flex the holiday to a work day during the same pay period. The specific work day selected is subject to approval by the employee's supervisor.
- 13.3 Subject to concurrence of all other City employee Associations, City and OMCA agree to exchange Lincoln's Birthday (February 12) for New Years' Eve Day (December 31).

Section 14 SICK LEAVE ACCUMULATION

- 14.1 Sick leave is a privilege which can be allowed only in case of actual sickness or injury of such employee or of a member of the immediate family which compels an employee to be absent from work. To qualify for sick leave, an employee must notify his/her supervisor prior to the time set for beginning daily duties, in accordance with such procedures established by the Department Head.
- 14.2 An employee may be allowed a leave of absence from duty without loss of salary on account of sickness or injury. Sick leave with pay is cumulative at the rate of one (1) work day for each month of service beginning the first calendar month following regular probationary employment.
- 14.3 An employee returning to duty after an absence of more than two (2) consecutive days without loss of salary resulting from sickness or injury may be required to provide the immediate supervisor, for filing in the employee's personnel file, a doctor's certificate or personal affidavit showing the nature of the sickness or injury.
- 14.4 Employees shall accumulate unused sick leave without limitation as to a maximum number of days.
- 14.5 Sick Leave Conversion: An employee represented by the Association and hired by the City prior to October 1, 2016 who regularly retires from City service may convert their accumulated sick leave to purchase medical insurance, based such leave dollar value at the time of retirement. Employees hired by the City on or after October 1, 2016 are not eligible to convert accumulated sick leave to purchase medical insurance at retirement.
- 14.6 For employees hired by the City prior to October 1, 2016, the City shall grant one (1) extra day of vacation with pay for each six (6) consecutive month period, (January/June, July/December) on a calendar year basis in which a member in the unit works without absence other than holiday, vacation, or compensatory time off. The extra vacation day shall be added to the eligible member's balance during the first month following the six-month period in which eligibility was established.

Employees hired on or after October 1, 2016 shall not be eligible to receive any extra day of vacation under this section, regardless of their attendance record.

- 14.7 Notwithstanding anything to the contrary set forth above in this section, the City agrees to amend its contract with PERS to allow sick leave conversion for PERS Retirement Credit. The members have the option of selecting the provisions set forth above in this section or may convert their unused sick leave for service credit upon retirement.

Section 15 LEAVES OF ABSENCE

15.1 Bereavement Leave:

Employees hired by the City prior to October 1, 2016 who have completed six (6) months of service are entitled to receive up to five (5) days bereavement leave, for members of the employee's immediate family, as defined below. Employees hired by the City on or after October 1, 2016 who have completed six (6) months of service are entitled to receive up to three (3) days bereavement leave, for members of the employee's immediate family, as defined below. Bereavement leave shall not be charged to the member's sick leave, when compelled to be absent from duty by reason of death, or where death of an immediate family member appears imminent, as determined by the attending physician. An employee desiring such leave shall notify, in writing, the Department Head of the time of absence expected and the date of return to City service. Immediate family: the following members of an employee's family: spouse, registered domestic partner, natural, step or legal child or parent, brother, sister, grandparent, grandchild, mother-in-law, father-in-law, brother-in-law or sister-in-law, including domestic partner in-laws.

- 15.2 Maternity Leave - Such leave shall be in accordance with applicable State and/or Federal law pursuant to California Government code 19991.6 as currently presented and/or amended.

15.3 Military Leave

Military leave shall be granted in accordance with the provisions of State law. All employees entitled to military leave shall give the appointing power an opportunity within the limits of military regulations, to determine when such leave shall be taken.

15.4 Approved Leave of Absence without Pay:

The Department Head, at his/her unrestricted discretion, may grant a regular or probationary employee leave of absence without pay or seniority for not to exceed three (3) months. After three (3) months, the leave of absence may be extended up to twelve (12) months by the City Administrator. Longer such leaves of absence shall be approved by the City Council. No such leave shall be granted

except upon written request of the employee, setting forth the reason for the request, and approval will be in writing. Upon expiration of a regularly approved leave or within a reasonable period of time after notice of return to duty, the employee shall be reinstated in the position held at the time leave was granted. Failure on the part of an employee on leave to report promptly at its expiration shall be deemed to be a resignation and be so notified.

If the approved leave of absence is for more than thirty (30) days, the employee:

- A. Shall not accrue seniority or employee benefits of any kind.
- B. Shall be responsible for the full payment of the monthly cost of any premiums for health, life or long-term disability insurance plans if the employee desires to retain the coverage afforded by such plans.

15.5 Safety Incentive Program

Employees hired by the City on or after October 1, 2016 shall not be eligible to participate in the City's Safety Incentive Program and will not accrue safety incentive comp time.

Section 16 JURY DUTY

Every employee of the City who is called or required to serve as a trial juror, upon notification and appropriate verification submitted to his/her supervisor, shall be entitled to be absent from his/her duties with the City during the period of such service or while necessarily being present in court as a result of such call. No deduction shall be made from the salary of an employee while being interviewed for or while serving on a trial jury. Jury fees, other than military, collected by employee shall be turned over to the Finance Department to help defray employee costs while on jury duty.

Section 17 RANDOM DRUG AND ALCOHOL TESTING

Employees agree to the City of Oroville's Substance Abuse Policy Statement, administered by DATCO, as outlined in the City of Oroville's Policy and Procedures, for the term of this agreement only. Notwithstanding anything to the contrary in the City of Oroville's Substance Abuse Policy Statement, the City may not make any changes in the Policy or its application relative to members of the OCMA without written mutual agreement of the parties.

Section 18 INJURY ON AND OFF THE JOB

Employees unable to perform their regularly assigned duties as a result of illness or injury (on or off the job) may be required to perform duties the City and employee have determined an acceptable assignment, and shall not impede the

employee's recovery. The employee shall receive the rate of pay in effect prior to the illness or injury, but that rate of pay shall be reduced by the amount of monies received from any other source to which the City contributes. Assignments under this provision may be full time or part time and shall be based on the Department needs fitting the capability of the disabled employee. The City may require the approval of a physician prior to making an assignment under the provision.

Section 19 BULLETIN BOARD

A reasonable amount of space shall be provided on the bulletin board in the lounges, upon which the Association may post notices of meetings, elections, appointments, results of elections, recreational and social affairs, classes, seminars, and other matters pertaining to employee and Association affairs.

Section 20 PAYROLL DEDUCTIONS

It is agreed that the City, during the term of this Memorandum, shall deduct dues in an amount authorized and remit the total to the Association in one check. The Association shall indemnify and hold the City harmless against any and all claims against the City as a result of implementation of this article.

Section 21 INJURIES IN THE COURSE OF EMPLOYMENT

- 21.1 Applicability of this Section: The provisions of this Section shall apply only to those industrial injury cases which the City Administrator, designee, or the Workers' Compensation Appeals Board determines to be compensable and only for such period of time as the Workers' Compensation Laws of the State of California require payment for temporary disability and shall cease when a person leaves City service other than by disability retirement.
- 21.2 All members of the OCMA (not covered by Section 4850 of the Labor Code), in the event of time lost to an industrial injury or illness, which renders the employee unable to work in their position or an available light duty position, shall continue at full salary for a period of one (1) year with no charge to accrued sick leave or accrued vacation. The employee so disabled shall make diligent efforts to secure available sources of income (Workers' Compensation benefits, SDI, disability insurance, etc.) These alternative sources of income shall serve as an off-set of the City's obligation to pay the employee's full salary. In no event shall an employee receive more than full salary. This section (22.2) does not apply to retired members.
- 21.3 Eligibility under this Section: All City Employees who have satisfactorily passed the physical examination as required by these rules shall be eligible.

Leave with Pay for Medical Treatment

- A. Leave with pay for medical treatment authorized by the Personnel Employee may be permitted for short periods of time when temporary disability payments pursuant to this Section of Labor Code are not made.
- B. The employee shall notify the City by Registered Mail of his/her address if changed from the address in the employee's personnel record, or if changed at any time during this leave of absence. The employee shall give the City reasonable notice in advance of the date of his/her return to work and shall, upon return to work and shall, upon return to work, be assigned his/her former position or comparable position. The employee shall be physically able to perform the duties of his/her former position in order to be returned to work, but the City shall make reasonable effort to place the employee in a position in which the employee is capable of performing at the same standard as other employees in that classification.
- C. An employee whose condition is deemed to be permanent and stationary may, at the discretion of the City, be returned to work on a light or limited duty station for purposes of vocational and medical rehabilitation. Such action shall only be taken upon the recommendation of a physician, chosen and compensated by the City, and shall be for a fixed time. In the absence of clear and convincing evidence to the contrary, should the rehabilitation period fail and the employee return to an industrial leave status, the initial trauma shall be considered in assessing the leave period.
- D. This Section shall be implemented by an individual agreement between employer and employee, and be signed off by the City's Physician.

Section 22 DISCIPLINE

22.1 The City may discharge, demote or suspend for cause any employee who has completed the specified probationary period. Examples of conduct or performance deficiencies that may warrant discipline include, but are not limited to (more examples may be found in the City Personnel Rules and Departmental Policies):

- A. Misstatement of facts during the hiring process;
- B. Falsification of any entry on a City document (e.g., time card, expense report)
- C. Disclosure of confidential information;
- D. Insubordination or willful disobedience;
- E. Incompetence, inefficiency, or unsatisfactory job performance;
- F. Discriminatory, discourteous or unbecoming behavior;
- G. Theft, misuse, or unauthorized use or possession of City property;
- H. Dishonesty;
- I. Misconduct, i.e., any behavior that brings harm or discredit to the City;
- J. Being under the influence of illegal drugs or alcohol or possessing illegal drugs while on City property or on official business;

- K. Conviction of a felony or misdemeanor that involves moral turpitude, or any other conviction or pleas of nolo contendere (no contest) or diversion for such offense, which adversely affects or brings discredit to the City;
- L. Excessive absence or tardiness;
- M. Absence without approved leave;
- N. Violation of a City rule, policy, or procedure; i.e. Violence in the workplace policy, Unlawful harassment, etc.
- O. Soliciting outside work for personal gain during the conduct of City business; engaging in outside employment for any business under contract by the City; participating in any outside employment that adversely affects the employee's City work performance; and engaging in unauthorized outside employment.
- P. Loss or failure to maintain any license, certification, and/or clearance which is required as a minimum qualification or condition of employment for the employee's position.

In the event a member feels the discharge or suspension is not for cause, the OCMA shall have the right to appeal the case through the grievance procedure. Probationary employees may be discharged for any reason and without cause.

- 22.2 **Presumption of Delivery:** Any written notice shall be conclusively presumed delivered to the employee on the date the written notice is personally served on the employee. In the event that any notice is sent to an employee by certified mail, return receipt requested, the notice shall be conclusively presumed delivered to the employee on the date the receipt was signed. In the event the certified mail is refused, or in the event the employee is absent without leave and no person at the address to which the certified mail is sent signs for such certified mail, then it shall be presumed that the notice was delivered as of the date the postal service returns the certified mail to the return address.
- 22.3 **Departmental Action Prior to Imposition of Discipline:** Except in cases of an emergency, at least five (5) calendar days prior to the effective date of any disciplinary action against employees with regular status, the Department Head or person authorized by him shall give the employee written notice of the proposed disciplinary action, reasons for such action, a copy of the charges and material upon which the action is based, and the right to respond either orally or in writing, or both, to the Department Head or designee proposing the disciplinary action prior to the effective date of such disciplinary action.
- 22.4 **Notice of Disciplinary Action:** Whenever a disciplinary action is taken against an employee, the employee shall be notified in writing. Such notification shall include, but is not limited to:
 - 1. a statement of the disciplinary action to be taken against the employee,
 - 2. a summary of the facts upon which the disciplinary action is based,

3. a statement advising the employee that written notice of the disciplinary action is to be placed in his/her official personnel file and that the employee has the right to appeal under the Grievance Procedure as set forth in this Memorandum of Understanding.

The written notice of disciplinary action may be either personally served or mailed to the employee by certified mail, return receipt requested, addressed to the last address which the employee has furnished the City.

22.5 Appeals of Discipline for Permanent Members:

A member may appeal a disciplinary action by filing a grievance at Step 3 of the Grievance procedure within ten (10) days of receiving the notice of disciplinary action.

Section 23 GRIEVANCE PROCEDURE

Except Personnel Rules 1, 3, 4, 5, and any other provisions of the Personnel rules which fall within the definition of a management right, a grievance shall be defined as a dispute concerning the application of the City of Oroville's Personnel Rules and Regulations or a matter involving the interpretations or the alleged violation of any provisions of this Resolution, other than appeals subject to the foregoing Section 14.

There shall be an earnest effort on the part of both parties to settle the grievance promptly through the steps listed below. Working days are considered to be Monday through Friday, excluding City Holidays.

- Step 1: A member's grievance must be submitted to the immediate supervisor within fifteen (15) calendar days from the date the grievance was first known or the grievance is waived. The immediate supervisor should give an answer to the member by the end of the fifth (5th) calendar day following the presentation of the grievance. If the answer does not resolve the grievance or if an answer is not given, the member may proceed to Step 2.
- Step 2: If the grievance is not resolved in Step 1, the OCMA representative may, within five (5) working days after the written reply of Step 1, request a meeting with the Department Head or his designee. Such meeting to be held at a mutually agreeable time to review, discuss and attempt to resolve the grievance. Such meeting will take place within ten (10) working days after the date of the written reply of Step 1.
- Step 3: If the grievance is not resolved in Step 2, the OCMA representative may within five (5) working days after the Step 2 meeting, request a meeting with the City Administrator or his/her designee. Such meeting will be

held at a mutually agreeable time to review, discuss and attempt to resolve the grievance. Such meeting will take place within ten (10) working days from the date of the Step 2 meeting.

- Step 4a: If a grievance is not resolved in Step 3, the fourth step shall be referral by either the City or the OCMA to arbitration. The fourth step shall be taken within twenty (20) work days of the date of the answer in Step 3.
- Step 4b: Upon receipt of request by OCMA to submit a grievance to arbitration, the City will set a day acceptable to both parties. City and the OCMA will choose from the State of California Conciliation and Mediation Service an arbitrator to become the individual to hear all cases involving the parties. The parties agree to act expeditiously in the selection of an arbitrator. If the OCMA and the City fail to reach mutual agreement on the selection of an arbitrator, each party shall, at a meeting of its representatives, alternately strike a name from the list of arbitrators provided by the SCCMS. The first party to strike a name shall be determined by lot. The costs of arbitration shall be borne equally by the City and the OCMA. The City and OCMA shall pay the compensation and expenses for their respective witnesses. At the OCMA's request, the City shall release members from duty to participate in arbitration proceedings.
- Step 4c: The arbitrator shall hold such hearings and shall consider such evidence as the arbitrator appears necessary and proper. The first hearing shall be held as soon as is practicable for all parties involved. The decision of the arbitrator shall be final and binding on the City and the OCMA and the aggrieved member, if any, provided that such decision does not in any way add to, disregard, or modify any of the provisions of this Resolution.
- Step 4d: Failure by either party to meet any of the aforementioned time limits as set forth in the section entitled "Grievance Procedure", will result in forfeiture by the failing party; except when the aforementioned time limits are extended by mutual written agreement from both parties. Grievances settled by forfeiture shall not bind either party to an interpretation of this Resolution, nor shall such settlements be cited by either party as evidence in the settlement of subsequent grievances.
- Step 4e: Notwithstanding the aforementioned procedure, any individual member shall have the right to present grievances to the City and to have such grievances adjusted without the intervention of the OCMA, and be given the same opportunity to have the Arbitrator hear and rule on grievances as prescribed in 4(b) and 4(c) provided that the adjustment shall not be inconsistent with the Resolution, and further provided that the OCMA's

President shall be given an opportunity to be present at such adjustment.

Time limits as set forth above may be extended by mutual agreement between the parties, but neither party shall be required to agree except in the case of the temporary absence of the City Administrator. In such case, the time limits will commence with the first day of their return to work. All meetings will be conducted in Oroville.

If the member or the OCMA does not submit the grievance to the next step or meet within the time limits specified, then the grievance will be considered automatically withdrawn. If, after Step 1, management does not reply in a timely manner or meet within the time limits specified, then the grievance may be processed by the member to the next higher level, if requested by the member or the OCMA.

Section 24 PEACEFUL PERFORMANCE

The parties of this Memorandum recognize and acknowledge that the services performed by the City Employees covered by this Memorandum are essential to the public health, safety, and general welfare of the residents of this jurisdiction. Association agrees that under no circumstances during the term of this agreement will the Association recommend, encourage, cause or permit its members to initiate, recognize, participate in, nor will any member of the bargaining unit take part in any strike, sit down, stay in, sickout, slowdown, or picketing related to labor relations matters (hereinafter collectively referred to as work stoppage), in any office or department of this jurisdiction, nor to curtail any work or restrict any production, or interfere with any operation of the City. In the event of any such work stoppage by any member of the bargaining unit, the City shall not be required to negotiate on the merits of any dispute which may have given rise to such work stoppage until said stoppage has ceased.

Section 25 SAVINGS CLAUSE

Should any portion of this Memorandum or any provision herein contained be rendered or declared invalid be reason of existing or subsequently enacted legislation or by decree of a competent jurisdiction, such invalidation of such portion of this Memorandum shall not invalidate the remaining portions hereof, and they shall remain in full force and effect.

Section 26 COMPLETION OF BARGAINING

This constitutes the whole agreement between the City of Oroville and the Association. There exists no other an agreement or inducements written or oral, other than those expressly provided herein. City Resolution is expressly superseded by this agreement.

Except for emergencies as provided for under California Code Section 3504.5 et seq, and for the reopeners described below, the parties mutually agree that during the term of this Memorandum of Understanding, they will not seek to negotiate or bargain with wages, hours, and terms and conditions of employment whether or not covered by this Memorandum of Understanding or in negotiations leading thereto and irrespective of whether or not such matters were discussed or were even within the contemplation of the parties hereto during the negotiations leading to this Memorandum of Understanding. Regardless of the waiver contained in this Article, the parties may, by mutual agreement, in writing, agree to meet and confer about any matter during the term of this Memorandum of Understanding.

Notwithstanding the above, the parties agree to the following re-openers during the term of this MOU:

- 2017-2018 Fiscal Year: No reopeners;
- 2018-2019 Fiscal Year: At OCMA's request made on or before July 1, 2018, the MOU may be reopened to consider changes for the 2018-2019 fiscal year;
- 2019-2020 Fiscal Year: At OCMA's request made on or before July 1, 2019, the MOU may be reopened to consider changes for the 2019-2020 fiscal year.

Section 27 TERM AND OPENING CLAUSE

This Memorandum of Understanding shall be effective **July 1, 2017** and shall remain in effect through **June 30, 2020**, and shall continue thereafter unless either party gives written notice to the other party prior to March 1st, 2020 requesting negotiation of a new Memorandum of Understanding with an effective date of July 1, 2020.

This Memorandum recommended to the City Council of the City of Oroville on October 17, 2017.

**OROVILLE MID-MANAGER
AND CONFIDENTIAL
ASSOCIATION (OMCA)**



Amy Bergstrand, OMCA President



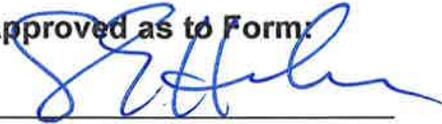
Steve Allen, OMCA Labor Rep

CITY OF OROVILLE



Donald Rust, Acting City Administrator

Approved as to Form:



Scott Huber, City Attorney

Executed by:



Linda Dahlmeier, Mayor

EXHIBIT A

Job Classifications	Department
Accounting Manager	Finance
Assistant City Clerk	Administration
Economic Development Manager	Administration
Enterprise Zone/Business Assistance Coordinator	BAHD
Human Resource Manager	Administration
Information Technology Manager	Administration
Management Analyst III	BAHD
Program Specialist	Administration
Senior Civil Engineer	Community Development