

RESOLUTION NO. 23-025

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE
APPROVING THE MEMORANDUM OF UNDERSTANDING
WITH THE PACIFIC GROVE GENERAL EMPLOYEES ASSOCIATION**

FINDINGS

1. The City of Pacific Grove and the General Employees Association (GEA) have negotiated and have reached agreement on a successor Memorandum of Understanding amending the Memorandum of Understanding that governs wages, benefits, hours and working conditions General Employee Association members.
2. This action does not constitute a “project” as defined by California Environmental Quality Act (CEQA) because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment; and

RESOLUTION

NOW, THEREFORE, THE COUNCIL OF THE CITY OF PACIFIC GROVE DOES RESOLVE AS FOLLOWS:

SECTION 1. The City Council finds each recital set forth above to be true and correct, and by this reference incorporates each as an integral part of this Resolution.

SECTION 2. The City Council approves the attached Memorandum of Understanding with the General Employees Association that covers the period July 1, 2023, through June 30, 2026.

SECTION 3. The City Manager is authorized to execute all documents and to perform all other necessary City acts to implement the Memorandum of Understanding.

SECTION 4. This resolution confers authority upon the City Manager to take all steps necessary to implement this MOU and authorizes budget adjustments if necessary to implement expenditures during FY 23/24, FY 24/25, and 25/26.

SECTION 5. This Resolution shall take effect immediately following its adoption.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE this 6th day of September, 2023, by the following vote:

AYES: Mayor Peake, Mayor Pro Tem Smith, Councilmembers Amelio, Beck, Coletti, McDonnell, and Poduri.
NOES: None.
ABSENT: None.

APPROVED:

DocuSigned by:
Bill Peake
2E6F9DE48137414...

BILL PEAKE
Mayor

ATTEST: 12/29/2023
DATED: _____

DocuSigned by:
Sandra Kandell
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SANDRA ANN KANDELL
City Clerk

APPROVED AS TO FORM:

DocuSigned by:
Brian A. Pierik
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BRIAN PIERIK
City Attorney

CITY OF PACIFIC GROVE

General Employees Association
Memorandum of Understanding

July 1, 2023 – June 30, 2026

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**Memorandum of Understanding Between
City of Pacific Grove and
General Employees' Association**

July 1, 2023 – June 30, 2026

In accordance with State requirements, the City of Pacific Grove, through its negotiating team, and the Pacific Grove General Employees' Association, through its negotiating team, have met and conferred in good faith on matters within the scope of representation. As a result of these meetings, the parties make the following Memorandum of Understanding as required and subject to the conditions of Government Code Section 3503.1.

ARTICLE 1 ADMINISTRATIVE

1.1 Parties

This agreement is made and entered into between the City of Pacific Grove (herein called the "City") and the Pacific Grove General Employees' Association, (herein called the "Association").

1.2 Recognition

The City recognizes the Pacific Grove General Employees' Association as the exclusive representative of the employees in the General Unit. The City further recognizes the Pacific Grove General Employees' Union affiliation with UPEC 792, LIUNA AFL/CIO.

1.3 Unit Description

The General Unit consists of all regular full- time and 30-hour weekly employees of the City occupying positions in the following job classes (including classes denoted with *, which are not presently funded or listed on the salary schedule):

Accounting Assistant Accounting Assistant, Senior Administrative Analyst (formerly Administrative Technician) Animal Control Officer Arborist* Code Compliance Officer Community Service Officer Engineering Technician* Equipment Mechanic Equipment Mechanic, Senior IT Support Specialist Library Assistant Library Assistant, Senior Library Clerk Library Technician*	Maintenance Supervisor Maintenance Technician/Safety Coordinator* Maintenance Worker Maintenance Worker, Senior Office Assistant Parking Enforcement Officer Planner, Assistant Planner, Associate Planner, Senior Police Records Supervisor Police Service Technician Property & Evidence Technician Recreation Coordinator Recreation Program Supervisor Volunteer Coordinator
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Classifications that align with GEA as determined by the City will be added to the Unit Description after 60 days of the classification becoming eligible.

1.4 Coverage

This Memorandum of Understanding applies only to full-time and 30-hour weekly positions in a classification represented by the Association only.

1.5 Duration and Scope of MOU

The MOU shall govern the period July 1, 2023, through June 30, 2026. It is understood that as to any terms not covered by this MOU. Section 4.20 of the Pacific Grove Municipal Code and Administrative Policy & Procedures Manual is applicable.

1.6. Nondiscrimination

The provisions of this Memorandum of Understanding shall be applied equally to all employees covered hereby without discrimination because of Association membership.

Employees may elect to exercise their right to join and participate in the activities of the Association for the purpose of representation in all matters of their working conditions and employer-employee relations.

1.7 Association Dues

Employees in classifications and positions recognized to be represented by the Association may authorize the City to deduct specified amounts for payment of dues to the Association. The City is not a party to any matters regarding the process and any other terms applicable to employee authorization or rescission of authorization for such deductions. Such matters are exclusively between the Association and affected employee(s) only.

The Association will maintain records of employee authorizations for such payroll deductions and will provide the City with a document identifying unit employees who have authorized payroll deductions and the amount that each employee has authorized the City to deduct. The City will rely upon the list of employees and the deduction amounts contained in the document provided by the Association, subject to the following terms:

Deduction of membership dues will cease starting with the next pay period following the effective date of promoting or demoting out of the association.

No payroll deductions shall be made under this Section during any pay period in which an employee's earnings, after all other deductions are made, are insufficient to cover the full amount authorized.

When an employee is in a non-pay status for an entire pay period, no deduction will be made to cover the pay period from future earnings.

In the case of an employee who is in a non-pay status during less than an entire pay period and whose earnings, after all other deductions are made, are insufficient to cover the full amount authorized under this Section, no deduction shall be made from future earnings to cover the pay period.

The City shall transmit to the Association, as soon as reasonably possible, the aggregate of such deductions, along with an itemized statement of the deductions taken. Dues deducted and paid to the Association in error shall be refunded to City upon presentation of proof of such error. The Association shall indemnify, defend, and hold the City harmless against any liability arising in any forum, whether judicial, administrative, or otherwise, from any claims, demands, or other action relating to the City's compliance with any obligations imposed under Section 1.7 including but not limited to payroll deductions made in reliance on information provided by the Association and the Association's use of monies collected under these provisions.

1.8 Release Time for Association Business

Up to three (3) designated Association representatives (in addition to the Association's business agent) shall be allowed, as long as there is no disruption in work, a reasonable amount of release time off without loss of pay for purposes of participating in meetings and conferring or meeting and consulting sessions with City representatives on matters within the scope of representation. Such Association representatives shall first obtain permission through the appropriate management channel before leaving the work or work location.

1.9 Contracting Out/Bidding

The City has the right to contract out bargaining unit services, however, when feasible, the City will perform cost analysis to meet the best interest of the City. In the event that the City exercises its right to contract out bargaining unit work, the City shall provide at least 60 days' notice to Association and an opportunity for the Association to meet and confer on the impacts and effects of this decision and comply with current law.

1.10 Safety

The City recognizes its obligation and is committed to providing a safe place of employment for its employees. To assist in accomplishing this goal, it is agreed that the City reserves the right to adopt reasonable City rules and regulations, which become effective when posted. City agrees to meet and discuss with the Association proposed changes prior to implementation.

The Association agrees that it is the duty of all employees to comply with all reasonable rules and regulations and to be alert to all unsafe places, equipment and conditions and to report any such unsafe practices or conditions to their immediate supervisor.

Association representatives shall have reasonable access to work locations of unit employees to inspect worksites to ensure a safe work place.

1.11 Safety Committee

The City shall convene a Safety Committee to discuss the provision of safety equipment appropriate to specific job classifications. The Safety Committee will include at minimum, one member of the GEA.

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ARTICLE 2 COMPENSATION

2.1 Salary

- A. Effective August 20, 2023, 3% Cost of Living Adjustment (COLA). Two reads of a salary ordinance is required to change the salary schedule and is anticipated to be completed in October 2023. COLA will be retroactive to August 20, 2023.
- B. 3% COLA effective the first full pay period in July of 2024.
- C. 3% COLA effective the first full pay period in July of 2025.

2.1.1 Market Adjustments

The City will adjust the Recreation Coordinator classification to 95% of total compensation after new compensation increases are calculated into total compensation. The Bryce Consulting report (referenced above) will provide the base for the calculation of the new compensation (first year COLA, employer 2023 increase to health contributions, deferred comp match, bilingual pay and fitness reimbursement). Market adjustment effective retroactive to August 20, 2023, following completion of the salary ordinance process set forth in Section 2.1.A.

2.2 Certificate/Special Pay

Employees covered under this agreement that hold certain licenses and/or certificates may be eligible for a pay differential of 5% of base salary. Once an employee receives special pay under this section, it shall not cease unless and until the employee no longer maintains the license or certificate. The pay differential may be obtained as follows:

- A. With the approval of the department manager and the City Manager, employees covered under this agreement that hold and maintain a license or certificate that is not required by the employee’s job description, and is deemed by the approving authorities to provide significant benefit to the operation of the department, shall receive a 5% pay differential.

The department manager, with the City Manager’s approval, shall decide how many such licenses or certificates are necessary to the efficient operation of the department and shall use fair and appropriate procedures to make a selection among qualified candidates.

- B. Employees assigned responsibility for back flow prevention and who possess a back-flow certificate shall receive a 5% pay differential.
- C. Employees who are certified (40 hours of HAZWHOPPER level training) and required to perform HAZ MAT* duties shall receive a 5% pay differential.
- D. Employees who are required to maintain a Class B driver license shall receive a 5% pay differential.

2.3 Shift Differential

Employees regularly assigned to work a shift between the hours of 7:00 p.m. and 7:00 a.m. shall receive a shift differential premium pay equal to 2.5% of the employee’s base rate of pay.

2.4 Bilingual Pay

Effective with Council approval of this MOU, the City will offer bilingual pay at a rate of \$200 per month for eligible employees. To be eligible, employees must take and pass the test for verbal Spanish as required by the City. Once eligibility is verified by Human Resources, bilingual pay will be provided starting with the next full pay period.

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ARTICLE 3 INSURANCE BENEFITS

3.1 Employee Health Plan Eligibility

Association employees shall be entitled to participate in the City-sponsored group health plans including medical, dental and vision as well as optional benefits.

Eligible employees enrolling in the group health plans within 60 days following their appointment will be covered subject to the contract limitation with the group health plan carrier. Coverage shall commence when the employee is eligible for coverage under CalPERS rules and the group health plan carriers’ rules.

Human Resources will notify employees of annual open enrollment periods to change group health plans or enroll in additional benefits; unless the employee can certify a qualifying loss of coverage (an eligible spouse, domestic partner, or minor child requiring health coverage because of a court order; new children by birth or adoption, or placement of adoption; new family members due to marriage or domestic partnership registration; or those whose health plan was cancelled due to an involuntary loss of coverage).

A. Cash In Lieu

Beginning January 2021, employees who are not currently grandfathered in the cash-in-lieu program may opt out of health (medical, dental and vision) during open enrollment and receive \$250 per month taxable cash in lieu. Employees

who receive the cash-in-lieu, must provide proof of other coverage for medical (see 3.3).

3.2 City Paid Group Health Premiums

- A. City shall pay the employer required statutory minimum contribution for employees enrolled in the PERS medical plans as required by the Public Employee Medical and Hospital Care Act (PEMHCA).
- B. Health care premiums include medical, dental and vision.
- C. For employees participating in all three group health plans: medical, dental and vision:
- (1) Effective the first full pay period following City Council approval of the MOU, the City will contribute according to the below plan enrollment levels:

Plan Enrollment Level	Monthly Employer Contribution (amount excludes PEMHCA)
Employee Only	\$950
Employee + 1 Dependent	\$1,400
Employee + 2 or More Dependents	\$1,825

- (2) Effective the first pay period in 2024, the employer contribution will increase to the chart amounts below.

Plan Enrollment Level	Monthly Employer Contribution (amount excludes PEMHCA)
Employee Only	\$950
Employee + 1 Dependent	\$1,425
Employee + 2 or More Dependents	\$1,875

- (3) Effective the first pay period in 2025, the employer contribution will increase to the chart amounts below.

Plan Enrollment Level	Monthly Employer Contribution (amount excludes PEMHCA)
Employee Only	\$950
Employee + 1 Dependent	\$1,450
Employee + 2 or More Dependents	\$1,925

- (4) Effective the first pay period in 2026, the employer contribution will increase to the chart amounts below.

Plan Enrollment Level	Monthly Employer Contribution (amount excludes PEMHCA)
Employee Only	\$950

Employee + 1 Dependent	\$1,475
Employee + 2 or More Dependents	\$1,975

D. Employee only enrollees participating in all three group health plans are eligible to receive the balance of their City health contributions, excluding PEMHCA) placed in a medical Flexible Spending Account (FSA) with a 10% administrative fee deducted annually.

D. Medical Premium Re-opener

Contract will be re-opened to meet and discuss medical premiums only, if premiums increase an average of 15% between all four eligible plans for CalPERS Region 1 (PERS Platinum, PERS Gold, Anthem HMO Select, and Blue Shield Trio HMO) at one or more of the employee, employee plus one, or employee plus family enrollment levels.. Only enrollment levels that meet the 15% average increase criteria will be subject to the re-opener. No rounding shall be applied for purposes of this section (e.g. an average increase of 14.995% at the employee-only enrollment level does not meet the 15% percent requirement.)

3.3 Proof of Other Coverage

Employees who opt out of the group medical plan and receive cash in lieu must provide the following:

- A. proof the employee and all individuals for whom the employee intends to claim a personal exemption deduction (“tax family”), have or will have minimum essential coverage through another source (other than coverage in the individual market, whether or not obtained through Covered California) for the plan year to which the opt out arrangement applies (“opt out period”);

and

the employee must sign an attestation that the employee and his/her tax family have or will have such minimum essential coverage for the opt out period. An employee must provide the attestation every plan year at open enrollment or within 30 days after the start of the plan year.

3.4 Section 125 Plan

Employees may elect to participate in three Section 125 programs offered by the City. The available programs are Pre-Tax Premium Option, Dependent Care, and Flexible Spending Account. Each of these programs shall be administered in accordance to the IRS Code. For purposes of information, the following provides a description of the programs.

- Pre-Tax Premium Option- Permits payment of health insurance premiums subject to salary deduction with pre-tax income.
- Dependent Care- Permits payment of eligible dependent care with pre-tax income.
- Flexible Spending Account- Permits payment of eligible health care expenses not reimbursed by health insurance with pre-tax income.

- Optional Insurance Programs (e.g. AFLAC) or other pre-tax offerings sponsored by the City

Other Optional Benefits:

- 457 Deferred Compensation Plan (City shall match employee contributions up to \$50 per month. In no case shall the City contribute in excess of \$50 per month.)

3.5 Group Life Insurance

The City shall provide at its cost Group Life Insurance with Accidental Death and Dismemberment at a minimum benefit of \$75,000.

3.6 Short-Term/ Long-Term Disability Plan (STD/ LTD)

The City shall provide at its cost supplemental Short-Term and Long-Term Disability Insurance.

3.7 State Disability Income Protection Plan

It is agreed that Association employees shall be covered by the State Disability Income (SDI) Protection Plan at their expense. The SDI benefit will be integrated with City PTO leave benefits.

3.8 Medical, Dental, and Vision Insurance

The City and Association agree to periodically review health insurance policies currently in place to provide the most favorable insurance coverage available.

3.9 Medicare

Medicare is withheld for employees.

3.10 Workers Compensation Salary Continuation

Association members who suffer a bona fide on the job injury or illness, as determined under the provisions of the California Workers' Compensation laws, and who, as a result of such injury or illness, are unable to work in their regularly assigned position or other position as determined by the City will be entitled to receive full salary and benefits for the first 90 days of such absence from the date of the incurred injury or illness. No charge to the member's sick leave, vacation, compensatory time off or other leave will be made during the 90 days from the date of the incurred injury or illness for which a claim has been finally accepted. It is noted that the City offers a Disability Insurance policy which establishes additional benefits for absences due to disabilities.

If a claim has been filed with, but not yet finally accepted or rejected by, the City's Worker's Compensation provider, the employee will be required to use any accrued and available paid leave to cover their absence. If the claim is finally accepted, the employee's leave banks will be restored for days actually used, up to 90 days.

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ARTICLE 4 FITNESS INCENTIVE REIMBURSEMENT

4.1 Fitness Incentive Reimbursement Program

A. City will reimburse up to \$300 per calendar year for employee’s personal fitness costs. Eligible covered fitness reimbursement are listed below.

- Fitness Classes (Yoga, Pilates, Cycling, etc.)
- Fitness Subscriptions (such as Peloton, etc.)
- Gym Membership
- Weight Management Programs (such as Weight Watchers)

B. Reimbursement for fitness programs not listed above, will be subject to the City Manager's discretion and approval. To avoid declination of reimbursement, items not listed should be pre-approved by the City Manager, or designee. Declination of reimbursement for items not listed above are not grievable.

C. Annual requests for reimbursement must be submitted by December 1st of calendar each year.

D. To be eligible for reimbursement, a requesting employee must be in active status and remain a current employee through December 31st of the year in which seeking reimbursement.

E. Subject to IRS guidelines, the fitness incentive is taxable income.

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ARTICLE 5 RETIREMENT

This MOU shall incorporate the two-tiered retirement system to address Classic Members and New CalPERS Members required for Miscellaneous Employees by the California Public Employees' Pension Reform Act (PEPRA) of 2013.

5.1 Definition

The terms Classic Member and New CalPERS members are defined by PERS law and regulations, but in general these are construed to have the following meanings:

A. Classic CalPERS Member

“Classic Member” is typically defined as an employee who was hired on or before December 31, 2012 or is a member of a reciprocal retirement system.

B. New Employee

"New Employee" means an employee of a public employer who is employed for the first time by any public employer on or after January 1, 2013, and who was either:

- (1) Not employed by any other public employer prior to that date; or
- (2) Employed by another public employer prior to that date, but who was not subject to reciprocity between his new employer's plan and another public retirement system.

C. New CalPERS Member

"New Member" means an individual who either:

- (1) Becomes a member of the plan for the first time on or after January 1, 2013 and either (i) was not a member of any other public retirement system prior to that date or (ii) was a member of another public retirement system prior to that date but was not subject to reciprocity between his new employer's plan and another public retirement system; or
- (2) Was an active member in the plan and, after a break in service of more than six months, returned to active membership in that plan with a new employer.

5.2 Service Pension for Classic Members

The retirement formula expressed in Government Code Section 21354 commonly known as 2% at 55 local miscellaneous members shall apply to covered Classic Members.

5.3 Cost Sharing - Service Pension for Classic Members

- A. The parties shall engage in sharing the City's employer contribution towards retirement benefits in accordance with Government Code Section 20516. As soon as administratively possible, cost-sharing shall be in effect and will require the employee to pay the portion of the employer contribution.
- B. For the duration of the MOU, the employee shall pay a total of 12% of the employee and employer share (7% of the employee share and 5% of the employer share).
- C. Following MOU ratification, the City will initiate a contract amendment with CalPERS under Section 20516 that allows for employee cost sharing of the employer rate and provides member's contribution to be credited to each member's account. Following the expiration of the current MOU, the City will initiate a contract amendment with CalPERS to end the Section 20516 amendment if not re-negotiated at that time. The Association recognizes that the CalPERS amendment process may take up to 90 days or longer.

5.4 Final Compensation for Classic Members

“Final Compensation” shall be applied for retirement purposes as specified in Government Code Section 20042, as one year’s highest compensation.

5.5 Credit for Unused Sick Leave for Classic Members

Employees shall be given service credit upon retirement for unused sick leave as specified in Government Code Section 20965.

5.6 New CalPERS Members Benefit Rate, Contribution and Final Compensation

New CalPERS Members shall receive and make contributions for PERS benefits in compliance with PEPRA.

- A. **Benefit Rate:** New Members benefit rate shall be MISC 2% @ 62.
- B. **Contribution:** New Members shall pay 50% of the normal cost of their pension benefit.
- C. **Final Compensation:** Three-year average final compensation period.

5.7 1959 Survivor’s Allowance

The “1959 Survivor’s Allowance Fourth Level” as defined in Government Code Section 21574 shall apply to both Classic and New CalPERS Members.

5.8 Military Service Credit

Military Service Credit as defined in Government Code Section 21024 shall apply to both Classic and New CalPERS Members

5.9 Continued Application

The Parties agree that all elements of the CalPERS article shall have continued application until or unless it is amended by mutual agreement of the parties.

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ARTICLE 6 LEAVE PROVISIONS

6.1 Sick Leave

A. Sick Leave Buy Out

Upon separation of employment, other than retirement, the employee shall be entitled to be paid for 50% of his/her sick leave accumulated at the time of such termination up to a maximum pay off of 1,000 hours. All remaining sick leave will have no monetary value and will be written off.

Upon retirement the employee shall be entitled to be paid for 50% of any accumulated sick leave in excess of that for which retirement credit is given.

In the event the employee is terminated by virtue of a conviction of a felony or any other illegal act, the City shall have no obligation to provide sick leave buy-out.

6.2 Personal Necessity Leave

Employees may use accrued sick leave and or PTO leave in the event of the personal illness or injury of a family member, including father, mother, brother, sister, spouse, registered domestic partner, child, step-child, grandparent, or in-laws.

6.3 Bereavement Leave

Up to a maximum of five (5) days of paid leave will be granted per occurrence in the case of the death of a family member, including father, mother, brother, sister, spouse, child, stepparent, step child, grandparent, grandchild, in-laws, registered domestic partner, child of registered domestic partner or any other member of the immediate household.

6.4 Paid Time Off (PTO)

Employees will accrue Paid Time Off (PTO).

A. Accrual Rate

PTO Accruals are based upon full years of consecutive employment.

Employees shall earn PTO according to the rates set out in the following table.

Employees working 30 hours weekly will accrue at a prorated rate.

Employee Years of Service	Hours Earned per Pay Period	Hours Earned per Month
Less than 5	4.923	10.667
5 to 6	6.462	14.00
7 to 8	6.769	14.667
9 to 10	7.077	15.333
11 to 12	7.385	16.00
13 to 14	7.692	16.667
15	8.000	17.333
16	8.308	18.00
17	8.616	18.667
18	8.923	19.333
19	9.231	20.00
20 plus	9.539	20.667

B. PTO Accumulation

PTO shall not be accrued anytime the employee's balance exceeds 320 PTO hours.

C. Sick Leave Balances

Employees with Sick Leave balances may be retained as a sick leave bank.

Sick leave accrued before June 30, 2015, may be used as PTO or may be retained as a sick leave bank.

D. PTO/Vacation Buy Back Program

Employees may sell back to the City up to 80 hours of their PTO/ vacation in any calendar year if both of the following conditions are met:

- (1) The employee has used (taken) at least 40 hours of PTO during the preceding calendar year.
- (2) The employee must have at least 40 hours of PTO remaining after the "cash out" of some of his or her vacation.
- (3) On or before the pay period which includes December 15 of each calendar year, an employee may make an irrevocable election to cash out up to forty (80) hours of accrued PTO (in whole hour increments) which will be earned in the following calendar year at the employee's base rate of pay. On the pay day for the pay period which includes Thanksgiving in the following year, the employee will receive cash for the amount of vacation the employee irrevocably elected to cash out in the prior year. However, if the employee's PTO leave balance is less than the amount the employee elected to cash out (in the prior calendar year) the employee will receive cash for the amount of leave the employee has accrued at the time of the cash out.

E. PTO/Vacation Pay Out

PTO/Vacation leave balance shall be paid out upon employee's separation from employment in compliance with CalPERS rules and regulations.

6.5 Holidays

A. Paid Holiday Schedule

Employees shall receive annually the following nine (9) paid holidays:

Paid Holiday Schedule	
1.	New Year's Day
2.	Memorial Day
3.	Independence Day
4.	Labor Day
5.	Veteran's Day
6.	Thanksgiving Day
7.	Thanksgiving Holiday/Day after Thanksgiving
8.	Christmas Eve Day
9.	Christmas Day

B. Paid Holiday Pay

Paid holidays will be calculated at eight (8) hours of holiday pay for full-time employees and will be calculated at six (6) hours of holiday pay for 30-hour weekly employees. Holiday pay is paid at the base hourly rate (8 hours x base pay, or 6 hours x base pay).

C. Holiday Schedule Observance

Unless otherwise provided, when a holiday falls on a Sunday, the following Monday shall be observed; a holiday falls on a Saturday, the prior Friday shall be observed. When a holiday falls on an employee’s time off, the working day immediately preceding or immediately following such holiday, at the determination of the department manager and subject to approval of the personnel officer, shall be observed as a holiday.

D. Floating Holidays

Employees shall receive five (5) floating holidays each fiscal year.

Employees may select the date upon which they shall use any floating holiday, subject to the scheduling needs of the City. If a floating holiday is not used within the fiscal year, the time shall be forfeited.

Floating holidays denied due to staffing shortages or other operational reasons will be paid or accumulated at the employee’s choice at the end of the fiscal year. The employee will have the burden to prove the request was made in a timely manner and then denied.

E. Prorated Allocation for New Employees

Employees who are hired during the Fiscal Year (FY) shall have the number of floating holidays prorated based upon their date of hire as follows:

Date of Hire	Number of Floating Days
July 1 to September 30	5 floating holidays
October 1 to December 31	4 floating holidays
Jan 1 to March 31	3 floating holidays
April 1 to June 30	2 floating holiday

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ARTICLE 7 WORKING CONDITIONS

7.1 Hours

Forty hours shall constitute a week's work for each full-time employee. The work week begins on Sunday at 12 am and ends on Saturday at 11:59 pm.

The City will consider any alternative work schedule, but any modification to the work schedule must be recommended by the department manager and approved by the City Manager.

7.2 Overtime

Employees who are required to work in addition to regular straight time 40 hours for five consecutive days shall be paid at the overtime rate. Consistent with FLSA, compensatory time may apply only upon mutual agreement of the employee and the City.

7.2.1 Overtime Hours Worked Special Events Exception

During a workweek in which an employee works a City special event under this Section 7.2.1., all time in paid status (not just time actually worked) shall count as hours worked in determining whether the employee has more than 40 hours worked for overtime calculation.

Special Events are defined as City-specified special events (as listed on the City Event Calendar i.e., Good Old Days, etc.), or department head designated special events, and projects.

The opportunity to work a Special Event shall be offered on a first-come, first-served basis, using seniority (seniority is based on hire date) if merited for selection.

To qualify for overtime pay under this Section, eligible employees must commit to working the event thirty (30) days in advance, unless a Supervisor or Manager determines that an exception to the 30-day requirement is necessary.

The employee will be guaranteed to receive pay at an overtime rate for working the event as long as they were in paid status (either due to actual hours worked, paid leave, or minimum call-back) for at least 40 hours during the same work week. For example, an employee working a Monday through Friday schedule, 8 hours per day, who works their full shifts Monday through Thursday and takes 8 hours of PTO on Friday would be eligible for overtime pays for any hours actually worked at a special event on Saturday. Supervisors and/or Management may authorize exceptions to this 30-day requirement when necessary.

7.3 Call Back

In those situations in which an employee who, following the completion of his/her work day and departure from his/her place of employment, is unexpectedly called back and must report to a work site in response to a directive from management because of

unanticipated work requirements, that employee shall be credited with a minimum of three (3) hours of work compensated at the rate of one and one-half times base pay.

7.4 Work Schedules

Notice of changes in the work schedule shall be made in writing a minimum of five working days in advance, and where practicable, at least two weeks prior to the expected duty. Such written notice will be provided in a format reasonably calculated for affected employees to receive notice promptly. Work hours assigned for special events shall be scheduled in addition to the regular work week.

7.5 Alternative Work Schedules

Department heads may place full-time (80 hours bi-weekly) employees on a 9/80 alternative work schedule. Employee may request an alternative work schedules in writing. The requests shall go to their department head, who may approve or deny the request based on the needs of the Department and the position. The decision on granting or denying an alternative work schedule is privilege, not a right and is not grievable. Alternative work schedules will be granted up to 6-month increments but not less than one month. Please refer to Alternative Work Schedule Policy for additional information.

7.6 Uniform

A. Uniforms Provided

The City will provide uniform service for designated members of the field departments.

B. Safety Shoes

The City will reimburse up to \$250 each year for OSHA-compliant safety boots for those employees required to wear safety boots as part of the regular work uniform.

C. Uniform Allowance

The City will provide a uniform allowance for designed members of field departments in the amount of \$92.50 each calendar month. The classifications to which this Article applies shall be the Police Services Technician, Community Services Officer, Police Property and Evidence Technician, Animal Control Officer, Parking Enforcement Officer and any other classification approved by the City Manager or designee.

7.7 Performance Evaluations

Annual written performance evaluations shall be made by department managers, on forms provided by the City, for all employees.

The department manager shall discuss the evaluations with each employee evaluated.

Changes to job descriptions that result in a substantial change in duties are subject to the meet and confer process.

Regular employees serving in regular established positions shall be advanced to the next higher salary step for their respective classifications after successful completion

and satisfactory service in each of the salary steps for the classification until the top of the range is reached. Advancements are not automatic but are based on successful performance. Evaluations more than 90 days late will be deemed satisfactory and employee will receive a merit/step increase. The City agrees to pay retroactively (no more than 90 days) when applicable. In an effort to ensure members are evaluated in a timely manner and reduce the need for retroactive pay for step/merit or longevity increases, the City Manager will be notified of a delinquent evaluation within 30 days.

7.8 Step Advancement

Employees are eligible for a salary step increase on their anniversary or new classification date following completion of 2,080 hours of paid service, whichever is longer. Time spent on legally protected leaves of absence such as FMLA or CFRA count towards step increase eligibility. Salary step increases will be effective the first full pay period following the step eligibility date.

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ARTICLE 8 GRIEVANCE PROCEDURE

8.1 Definitions

- A. "Grievant" means an employee(s) filing a grievance.
- B. "Grievance" is a statement that the grievant has been adversely affected by a violation, misapplication or misinterpretation of the Memorandum of Understanding.
- C. "Immediate Supervisor" is the management employee directly supervising the grievant or in his/her absence his/her designee.
- D. "Day" is a calendar day.

8.2 Grievance Procedure Steps

Informal Step

Before filing a grievance, the grievant shall discuss the matter with his/her immediate supervisor.

Step 1

- a) If this grievant is not satisfied with the response at the informal step, the grievant shall submit the grievance in writing to his or her immediate supervisor within 21 days of the action causing the grievance or of the date the action reasonably could have been expected to be known to the grievant.
- b) Within 14 days of filing the grievance, the immediate supervisor shall respond in writing to the grievance.

Step 2

- a) If the grievant is not satisfied with the Step 1 response, the grievant may bring the grievance to the department manager, within 14 days of receipt of the Step 1 response.
- b) The department manager shall respond to the grievance in writing within 14 days of receipt of the grievance at Step 2.

Step 3

- a) If the grievant is not satisfied with the Step 2 response, the grievant may bring the grievance to the City Manager within 14 days of receiving Step 2 response.
- b) The City Manager shall respond to the grievance in writing within 14 days of receipt of the grievance at Step 3. The City Manager's response shall be final.

Step 4

- c) If the grievant is not satisfied with the Step 3 response, the grievant may bring the grievance to management for referral to the City's 3rd-party hearing officer panel within 14 days of receiving Step 3 response.
- d) The assigned City 3rd-party hearing officer shall respond to the grievance in writing within 30 days of receipt of the grievance at Step 4. The 3rd-party hearing officer's response shall be advisory, and non-binding.

8.3 Release Time

The grievant shall be entitled to release from duty without loss of pay for the hearing of grievances. Other employees may be released from duty without loss of pay to serve as representatives or witnesses. Such releases are subject to the staffing and operational needs of the department.

8.4 No Discrimination

There shall be no restraint, interference, coercion, discrimination or reprisal against any employee for exercising any rights under the grievance procedure.

8.5 Representation

- A. The employee may be represented by the Association at any step of the grievance.
- B. An employee is also entitled to represent her/himself individually at any step of the grievance procedure.
- C. A grievant may not change her/his designation of representative organization, during the processing of a grievance except by mutual agreement of the parties.

8.6 Grievance Withdrawal

By mutual agreement of both parties the grievant and his/her representative may withdraw a grievance at any stage of the grievance procedure by giving written notice to the City representative who last took action on the grievance.

8.7 Review by the Association

If a grievant is not represented by the Association and reaches a solution during any of the first three steps of the grievance procedure, the City representative will provide written notice of the solution to the Association. The Association will be given seven calendar days from receipt of the written notice in which to comment on the solution, and if it disagrees, to bring its position to the City Manager. The City Manager shall consider the Association’s views before adopting a solution. In any event, the Association’s position will be noted in the official grievance documentation. The City Manager’s decision shall be final.

8.8 Waiver of Steps

By mutual written consent of both parties, any step of the grievance procedure may be waived.

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**ARTICLE 9. EDUCATION INCENTIVE
AND PROFESSIONAL DEVELOPMENT**

9.1 Education Incentive Pay

A. Conditions

With the approval of the department manager and the City Manager, an employee may undertake a course of study that, when completed as set out below, will make the employee eligible for additional pay as described. Any employee whose job description includes a requirement for a particular level of education or the possession of certain degrees, professional certificates, or credentials, shall not be eligible for additional pay under sections A or B. Any employee who is eligible to receive the benefits contained within sections A or B, shall not be eligible for additional pay under section C. Employees who, prior to or in the course of their employment with the City, have obtained college level credits, degrees, certificates, or credentials as specified below, may present proof of such to their department manager and the City Manager and request additional pay under this section.

B. Definitions

- “Base Pay” means the hourly salary for the range and step of the eligible employee, and shall exclude any compensation received for overtime, clothing allowance, or other fringe benefits.

- “Satisfactory completion” means obtaining a grade of “C” or better in each course.
- “College level” means any post high school institution accredited by the California State Department of Education, the Western Association of Schools and Colleges, or equivalent organizations in other states or counties, or which has the prior approval of the City Manager.
- “Job related” means any academic course, the content of which would reasonably be expected to assist the employee in the performance of their duties. The City Manager’s determination of the eligibility of any course shall be final. In the case of doubt, the employee may request the written determination of the department head and City Manager.

C. Procedure

- (1) Upon compliance with this section, employees shall receive an amount equal to 2.5% of their base pay upon satisfactory completion of 30 units of college level, job-related courses.
- (2) Upon compliance with this section, employees shall receive an amount to total 5% of their base pay upon satisfactory completion of 60 units of college level, job-related courses. Compliance with the section shall also be satisfied by presentation of a certificate, diploma, or transcripts indicating attainment of an AA, AS, BA, BS, or other City approved degree from a post high school educational institution as defined above.
- (3) Upon compliance with this section, employees whose job description includes a requirement for a particular level of education or the possession of certain degrees, professional certificates or credentials and who are deemed ineligible to receive the benefits under sections A or B, shall receive a lump sum payment of \$500.00 upon satisfactory completion of a course of study and/or examination that results in attaining an acknowledged level of professional development – evidenced, for example, by degree, credential or certification – in the employee’s field of work. To qualify for this payment, the achievement must demonstrate, as determined by the department manager, attainment of a significant achievement based on national, state, or professional department standards. Employees who are eligible to receive the benefits contained within sections A or B shall not be eligible for payments under this section.

The City Manager shall determine, prior to employee’s embarking on the work and study required for the desired degree, credential or certification, whether the desired goal qualifies for the payment.

No more than three such payments shall be paid to an individual during his/her tenure with the City.

- (4) No person shall be eligible for benefits under section A through C unless and until they have completed one year of continuous full-time employment with the City of Pacific Grove and have satisfactorily completed the probationary period. Units completed prior to employment with the City of Pacific Grove, or during the probationary period, shall be considered in determining eligibility, provided the other requirements of this section are met.
- (5) Prior to payment or compensation under this section, eligible employees shall submit a list of courses and credits to the department manager together with the transcripts or other proof of satisfactory completion as may be required.
- (6) Compensation shall be paid the eligible employee for the pay period beginning on the first pay period following submission of the forms and proof required in Section e. Compensation shall not be paid unless and until all said forms and proof are submitted to the department manager in a satisfactory manner not later than the 29th day of the month preceding the month at when compensation is to commence.
- (7) Any person promoted, reclassified or transferred to a position not eligible for benefits as set forth in sections A or B shall lose the compensation under this section - on said promotion, reclassification or transfer effective date.

9.2 Education Reimbursement

A. Definition

Expenses incurred by employees for the payment of registration, tuition, laboratory fees, or travel outside of Monterey County but within the State, and the purchase of required textbooks in certain courses are reimbursable by the City.

B. Conditions

Reimbursement provided under section 9.2 above is subject to the following conditions:

- (1) The City must determine in advance that the course is job related. These courses are for the benefit of the City and the department to which the employee is assigned.
- (2) Reimbursement is provided only upon satisfactory completion of the course.
- (3) The course must be taken on other than City time.
- (4) The limit payable in respect to courses taken in any one fiscal year by one employee is \$1,000.00.

C. Continuing Education Units

The foregoing shall also cover course work required to maintain Continuing Education Units, where required.

9.3 Training Opportunity

The City shall provide all eligible regular full-time employees three (3) full days paid

training sessions per year. All training(s) shall be offered by the City during the employees regularly scheduled work shift. No overtime shall be incurred as a result of the training. Location of training shall be at the discretion of City. City shall pay standard per diem for necessary and approved overnight lodging. In-service conducted solely by staff shall not qualify as a training day under this section.

9.4 City Training Day

Effective 2021, the City will close operations to the public for non-sworn personnel on the third Monday in October and provide a mandatory employee training day. If "Training Day" is a day personnel with alternative work schedules, including non-sworn safety personnel, are normally scheduled off, such personnel would be required to attend the training day and "flex" their day off on an alternate date or by paid in compliance with FLSA rules. It is understood not all non-sworn safety personnel may be able to attend due to operational necessity.

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ARTICLE 10 MISC

10.1 MOU Negotiations Timing

At least six (6) months prior to the MOU expiring, management will initiate MOU negotiations with GEA.

10.2 Future Negotiations

The parties hereto acknowledge and agree that they have reached settlement regarding all total compensation and non-compensation items, and that said issues are settled through the period expiring June 30, 2026, provided that either party may request to meet and confer upon written notice given to the other party.

The parties therefore agree to waive any and all rights or obligations to meet and confer on any subject fully covered by this MOU with the exception of the economic re-opener until a reasonable period prior to June 30 2026.

10.3 Recruitment of Vacancies

It is the intent of the City to fill vacant budgeted positions as soon as administratively possible. Means, methods, types of recruitment and selection process and corresponding timeline are at the City's sole discretion.

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ARTICLE 11 SAVINGS CLAUSE

If any Article or Section of this Memorandum or Understanding should be found invalid, unlawful or unenforceable by reason of any existing or subsequent enacted legislation or by judicial authority, all remaining Articles and Sections of this Memorandum of Understanding shall remain in full force and effect for the duration of the MOU. In the event of invalidation of any Article or Section, the City and the Association agree to meet within 30 calendar days of such invalidation for the sole purpose of meeting and conferring upon said Article or Section.

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This MOU constitutes a full and complete agreement between the parties on all matters within the scope of representation.

Tori Hannah, City Manager Pro Tempore
City of Pacific Grove

Vincent Garcia, President
General Employees' Association (GEA)

Leticia Livian, HR Director
City of Pacific Grove

Ryan Heron, Labor Relations
Representative, United Public
Employees of California (UPEC) Local
792

Katy Suttorp, Legal Counsel
Burke

Stacy Matthews
GEA Bargaining Team Member

Andrew Butler
GEA Bargaining Team Member

Garrett McCown
GEA Bargaining Team Member