



MEMORANDUM OF UNDERSTANDING

BETWEEN

CITY OF MANHATTAN BEACH

AND

**MANHATTAN BEACH MID-MANAGEMENT EMPLOYEES
ASSOCIATION**

January 1, 2020 – December 31, 2021

TABLE OF CONTENTS

| | |
|--|----|
| PREAMBLE..... | 1 |
| ARTICLE 1: RECOGNITION AND EFFECTIVE DATES..... | 1 |
| ARTICLE 2: AT-WILL AND CLASSIFIED EMPLOYEE DESIGNATION | 1 |
| ARTICLE 3: FLSA EXEMPT STATUS, WORK HOURS AND OVERTIME..... | 2 |
| ARTICLE 4: COMPENSATION | 2 |
| ARTICLE 5: TOOL, BOOT, AND UNIFORM ALLOWANCES | 4 |
| ARTICLE 6: HEALTH INSURANCE AND BENEFITS PLANS..... | 5 |
| ARTICLE 7: RETIREMENT BENEFITS | 6 |
| ARTICLE 8: GENERAL LEAVE | 8 |
| ARTICLE 9: HOLIDAYS | 9 |
| ARTICLE 10: ADDITIONAL BENEFITS AND LEAVE PROGRAMS | 10 |
| ARTICLE 11: GRIEVANCE PROCEDURE | 11 |
| ARTICLE 12: DISCIPLINE..... | 13 |
| ARTICLE 13: ASSOCIATION RIGHTS | 16 |
| ARTICLE 14: NON-DISCRIMINATION | 16 |
| ARTICLE 15: CHANGES TO JOB DESCRIPTIONS | 16 |
| ARTICLE 16: MANAGEMENT RIGHTS | 17 |
| ARTICLE 17: SAVINGS CLAUSE..... | 17 |
| EXHIBIT A - SALARY SCHEDULE | 19 |

PREAMBLE

This Memorandum of Understanding (“MOU” or “Agreement”) is prepared between representatives of the City of Manhattan Beach (“City”) and the Manhattan Beach Mid-Management Employees Association (“MBMEA” or “Association”). Full consideration has been given to salaries, employee benefits and other terms and conditions of employment.

ARTICLE 1: RECOGNITION AND EFFECTIVE DATES

This MOU shall become effective January 1, 2020 and will continue in effect through December 31, 2021. The MBMEA is the officially recognized exclusive representative for all classifications listed in Exhibit A, as well as any future mid-management, professional and supervisory classifications created during the term of the MOU, unless such classification qualifies as a confidential classification as defined by the City’s Employer-Employee Relations Resolution. This MOU represents the full and complete understanding between the parties related to the subject matter set forth herein.

ARTICLE 2: AT-WILL AND CLASSIFIED EMPLOYEE DESIGNATION

“At-will” employees are non-classified employees who have no property interest to continued employment and are not covered under the City’s Civil Service System. “Classified” employees have property interest to continued employment, and are placed under the City’s Civil Service System.

Employees in the following classifications who were employed by the City prior to January 1, 2018 are designated to be “Classified”:

1. Accountant
2. Equipment Maintenance Supervisor
3. Facilities Supervisor
4. Geographic Information Systems Analyst
5. Maintenance Supervisor
6. Police Records Manager
7. Principal Civil Engineer
8. Senior Civil Engineer
9. Urban Forester
10. Wastewater Supervisor
11. Water Supervisor

All other classifications within the MBMEA as well as all employees hired into any of the above classifications on or after January 1, 2018 are considered “at-will” positions. The City will ensure that employees who are selected to promote from a “classified” position to an “at-will” position will be advised, prior to their promotion, that their status will change upon promotion.

During the first month after City Council approval of this MOU, existing “classified” employees will be given a one-time option to change their designation from “classified” to “at-will”.

ARTICLE 3: FLSA EXEMPT STATUS, WORK HOURS AND OVERTIME

- A. FLSA Exempt Status:** All employees are exempt from the FLSA's overtime compensation requirements except for the classification of Accountant.
- B. Hours of Work:** As management, professional and supervisory employees, all individuals are normally expected to work a minimum of forty hours per workweek as well as any additional hours that may be required to fulfill the responsibilities and work assignments of the position. The City may require employees to record hours actually worked, regardless of FLSA exempt/non-exempt status. The City will fulfill its meet and confer obligations regarding the procedure for recording time.
- C. Work Schedule:** All employees are assigned to work a 9/80 or 4/10 work schedule. Employees may request a different work schedule, which is subject to department head approval. Any changes to an employee's(s') work schedule are subject to meet and confer during the term of the MOU. In addition, the parties agree that the City reserves the right to modify the employee's regular day off (for employee's working a 4/10 or alternating regular day off for employees working a 9/80) to the Friday of its choosing without meeting and conferring.

For non-exempt employees assigned to the 9/80 work schedule, the FLSA designated workweek begins four hours after the start time of the employee's alternating regular day off.

- D. Partial Day Absences:** Non-exempt employees must record actual hours worked and use accrued leave for any absence.

Exempt employees must use accrued leave to cover any absence of four (4) hours or more.

- E. Overtime:** Only employees in classifications designated as non-exempt pursuant to the Fair Labor Standards Act (FLSA) are eligible to receive overtime. Non-exempt employees who work more than forty hours in a designated workweek are eligible for FLSA overtime pay at one and one-half. Approval for all overtime must be requested and granted prior to working said overtime, except in emergency situations.

ARTICLE 4: COMPENSATION

A. Salary:

1. The salary ranges established for classifications covered by this MOU are identified in Exhibit A.
2. Effective in the pay period following City Council approval of this MOU, employees will be moved to the salary step that is closest to but not lower than their current salary rate.

3. Effective in the pay period following City Council adoption of the MOU, employees shall receive a one-time, non-PERSable payment in an amount that, when combined with their base salary increase based upon moving to the closest salary step (equal or above their current salary), will total 1.25%. If an employee's salary increase by moving to the next step is at least 1.25%, then they will not qualify for any additional payment.

- B. Adjustments to the Salary Range:** Adjustments to the salary range for an existing position or the creation of a new classification with an assigned salary range requires a recommendation by the City Manager and City Council approval.
- C. Salary Upon Appointment or Promotion:** At the time of appointment, the appointing authority may recommend any salary step within the salary range that is commensurate with the experience, knowledge, skills, and/or abilities of the individual related to the classification.
- D. Movement Within the Salary Range:** Effective the beginning of the first full pay period in January 2021, and annually thereafter, employees who have been in their position for more than six months (hired before July 1, 2020 and annually thereafter) and receive a "meets standards" or above performance evaluation, will be eligible for movement to the next salary step upon the recommendation of the employees' supervisor and approval of the department director.

Beginning with the approval of this MOU, all employees will be evaluated on a calendar year basis (e.g. starting calendar year 2020, all employees will be evaluated January – December 2020). A completed performance evaluation must accompany any recommendation for a salary step increase. Annual step increases will be retroactive to the beginning of the first full pay period in January.

- E. Acting Pay:** Any employee assigned by their Department Head to serve in a position above their classification will receive "acting pay" of 5% above the employee's existing base salary beginning on the fifth consecutive working day in the acting position.

Should the temporary assignment be made beyond 30 consecutive calendar days, payment will be made at the bottom of the range of the higher classification (if the bottom of the range provides greater than a 5% increase). Acting pay must be approved by use of an Employee Action Form. Acting assignments generally shall not exceed twelve (12) months. Any acting assignment extending beyond twelve (12) months requires City Manager approval. If the position for which the employee is acting is vacant and the law limits the acting assignment to 960 hours, the City will follow the law and limit the acting assignment to no more than 960 hours.

The Parties agree that to the extent permitted by law, Acting Pay is special compensation as defined by CalPERS regulations and shall be reported as such to CalPERS pursuant to Title 2 CCR, Section 571(a)(3) Temporary Upgrade Pay.

F. Temporary Assignment Pay: Any employee assigned by their department head to perform the full scope of another position at or below their salary range due to a vacancy or leave of absence will receive the following:

- No additional pay for the first 59 days
- 5% of base salary for performing the work of the other position from day 60 to day 90
- 10% of base salary for performing the work of the other position after 90 days

Employees assigned a portion of the duties of a vacant position or who perform some additional duties of an employee on leave are not eligible for this pay.

G. Exceptional Performance Bonus: Effective after January 1, 2021 and later, the City Manager, at their sole discretion, may grant an “exceptional performance” bonus of up to 5% of base salary to any individual employee to acknowledge superior job performance or for successfully completing a project, program, or effort outside the regular scope of their job.

ARTICLE 5: TOOL, BOOT, AND UNIFORM ALLOWANCES

A. Tool Allowance for Equipment Maintenance Supervisor: The City will reimburse the Equipment Maintenance Supervisor for the replacement of hand tools and other job-related tools, up to a \$700.00 annual allowance. Receipts for such tools must be provided to the City to receive any or all of this allowance. The City agrees to provide adequate storage space for the Supervisor to secure their tools and equipment during the employee’s non-working hours.

B. Uniform Allowance for Equipment Maintenance Supervisor: The City shall provide the Equipment Maintenance Supervisor with clean and presentable work clothing and t-shirts to be laundered and provided through a uniform rental service, as requested by employee and approved by employee’s supervisor. Any portion of the uniform which is torn, badly stained, or in any way unsuitable in appearance through work activity as determined by the supervisor shall be exchanged and replaced at the discretion of the City. The City will provide for alterations as needed. The employee shall pay for any additional uniform alterations. City uniforms shall not be worn off duty and every effort shall be made to maintain the highest public image of City employees. The City reserves the right to determine the manner in which this work clothing is provided, to select the uniform rental service, and to select the style and color of the work clothing. The option to wear t-shirts or shorts shall be subject to revocation either individually or collectively at any time by the City if deemed in the City’s best interest and such revocation (with at least 90 days’ notice) shall not become the subject of any grievance proceeding.

The parties agree that to the extent permitted by law, the value of the uniforms provided in this article is special compensation as defined by CalPERS regulations and shall be reported as such to CalPERS pursuant to Title 2 CCR, Section 571(a)(5) Uniform allowance. Notwithstanding the previous sentence, for “new members” as defined by the Public Employees’ Pension Reform Act of 2013, the uniform allowance will not be reported as compensation earned to CalPERS.

- C. Safety Shoe Allowance:** Every two (2) years, employees in the following classifications are eligible to receive safety shoes/boots at the City's expense up to the maximum dollar amount provided for in this MOU: Building Official, Equipment Maintenance Supervisor, Facilities Supervisor, Maintenance Supervisor, Principal Civil Engineer, Senior Civil Engineer, Senior Plan Check Engineer, Traffic Engineer, Urban Forester, Wastewater Supervisor, and Water Supervisor.

Upon hire and on or around July 1st of each year that the employee is eligible for boot replacement, the City will provide a voucher for the City's designated vendor for up to \$200.00 for employees in the designated classifications. This allowance can be utilized to purchase safety shoes/boots and resole, as well as related supplies (e.g. laces or mink oil). If an employee's boots wear out to the point where they are not usable in advance of their next scheduled boot replacement, they can request an earlier replacement, which must be approved by their supervisor. The Finance Department will determine the method for routing and paying invoices provided by the City's vendor, or providing reimbursement if a voucher is not used. Resoling of shoes and any related supplies purchased from the City allowance must be made at the same time as the shoes are purchased and the receipt(s) is provided at the same time as the receipt for the boots.

City specifications for safety boots will be determined with the input of the Association President and the appropriate managers/department heads.

ARTICLE 6: HEALTH INSURANCE AND BENEFITS PLANS

- A. Medical Insurance:** The City is enrolled in CalPERS Medical in accordance with the Public Employees' Medical and Hospital Care Act (PEMHCA). Employees who enroll in a CalPERS medical plan will receive a City contribution of ninety-five percent (95%) of the employee's premium (up to a maximum of the PERS Choice plan), depending on the employee's enrollment (single, employee with one dependent or employee with two or more dependents). If the plan chosen is less costly than (or as costly as) the rates of the PERS Choice plan, the City will pay 95% of the premium for the plan chosen with the employee paying (with a deduction from their pay) for the remainder (5%) of the plan chosen. If an employee chooses a plan which is more costly than the PERS Choice plan rate, the employee will pay the difference between the PERS Choice premium rate and the more expensive plan as well as the additional 5% of the PERS Choice premium rate for the coverage chosen, i.e., single, employee + 1 or employee + 2. The City's health insurance contribution will be inclusive of (not in addition to) the PERS statutory minimum.

The City shall pay any surcharge assessed by PERS on the medical insurance premiums up to 3.3%. Any further surcharges shall be paid by the employee.

- B. Opt Out of Medical Insurance:** Employees, who are able to demonstrate to the City's satisfaction that they have minimum essential coverage as defined by the Affordable Care Act, (through another source other than coverage in the individual market) may opt out of participation in the City's health plan.

Only employees who opt out of health insurance completely will receive a cash opt out incentive. Effective the pay period following City Council approval of this MOU, employees will be eligible for the following opt out incentive:

Employees opting out of health insurance who would have otherwise been eligible for either single or two-party medical coverage will receive \$2,700 per year (\$103.85 per pay period), paid biweekly as part of payroll. Employees opting out of health insurance who would have otherwise been eligible for family medical coverage (employee plus 2 or more qualified dependents) will receive an opt-out incentive of \$5,400 per year (\$207.69 per pay period), paid biweekly as part of payroll. This opt-out amount is taxable income and will not be considered compensation earnable (meaning it does not qualify as “special compensation” under the CalPERS regulations).

- C. Affordable Care Act (ACA) Reopener:** During the term of this MOU, either party may reopen labor negotiations for the purpose of discussing potential penalties, taxes or other impacts under the Affordable Care Act.
- D. Dental Insurance:** The City shall contribute \$70.00 per month for each employee to use for dental insurance coverage or received as cash. If received as cash, the payment of the stipend is subject to all applicable federal and state tax withholding/reporting requirements. This contribution cannot be used to pay other benefits on a pre-tax basis.
- E. Vision Insurance:** The City will provide vision coverage and pay the full vision care plan premium for employees and eligible dependents through a carrier chosen by the City.
- F. Long Term Disability Coverage:** The City will provide coverage and pay the full premium for each employee in accordance with the City’s Long Term Disability Plan.
- G. Short Term Disability Coverage:** The City will make available for voluntary participation at the employee’s cost a short term disability plan. However, minimum participation will be required to be able to offer this plan.
- H. Life Insurance:** The City will provide coverage and pay the current premium for life insurance for each employee in accordance with the plan and carrier chosen by the City. The current life insurance plan benefit for an employee is 1.5 times the employee’s annual base salary, up to a maximum of \$500,000.
- I. Section 125 Flexible Spending Accounts:** The City offers medical and/or dependent care flexible spending accounts. Participation in one or both plans is voluntary and funded by the employee.

ARTICLE 7: RETIREMENT BENEFITS

- A. Retiree Medical Insurance:** In accordance with the Public Employees’ Medical and Hospital Care Act (PEMHCA), the City shall pay the CalPERS statutory minimum amount on behalf of each employee who retires from the City in accordance with the requirements of PEMHCA.

In addition to the provision of the CalPERS statutory minimum as provided in the previous paragraph, employees who retire from the City and who have a minimum of fifteen (15) years of service with the City of Manhattan Beach shall receive a contribution of \$250.00 per month to be used toward health insurance costs. The retiree will no longer be eligible to receive said contribution at the earliest date one of the following occurs:

- 1) The retiree reaches 65 years of age,
- 2) The retiree becomes eligible for Medicare; or
- 3) The retiree passes away.

B. CalPERS Retirement: The City contracts with the California Public Employees' Retirement System for retirement benefits.

1. "Classic" CalPERS Members: Employees who are "classic" members under the CalPERS retirement program receive the following retirement benefits:

2% @ 55 retirement formula and one-year final compensation (Government Code section 20042). Employees contribute the 7% member contribution on a pre-tax basis toward the retirement benefit.

2. "New Members" under the Public Employee Pension Reform Act (PEPRA): Employees who are "new members under the CalPERS retirement program receive the following benefits:

2% @ 62 retirement formula and a three-year final compensation period (Government Code section 7522.32(a)). Employees contribute the higher of 7% or one-half the normal cost as identified annually by CalPERS.

3. Optional Benefits: The City contracts for all retirement benefits with CalPERS. Optional benefits for the miscellaneous CalPERS members include:

- Credit for Unused Sick Leave (Government Code Section 20965)
- Third Level of 1959 Survivor Benefits (Government Code Section 21573)
- Military Service Credit as Public Service (Government Code Section 21024)

C. Deferred Compensation: Employees may participate in a 457 deferred compensation program by electing to contribute pre-tax earnings to the plan subject to annual plan limits.

The City will contribute 2.5% of base pay into a 401(a) plan on behalf of "classified employees" as defined in Article 2.

The City will contribute 4.5% of base pay into a 401(a) plan on behalf of "at-will" employees as defined in Article 2.

ARTICLE 8: GENERAL LEAVE

A. Leave Accrual: General Leave is provided to employees as paid time off from work. Employees begin to accrue General Leave with the first day of employment. Effective in the pay period following City Council adoption of the MOU, all years of full-time service with any public sector agency (including Cities, Counties, school districts, special districts or other agencies approved by the Human Resources Director) will be counted towards years of service for the purpose of calculating the employee’s general leave accrual. Employees may accumulate up to three years of general leave accrual. If an employee reaches the general leave accrual maximum, that employee will not accumulate further leave until such time that the employee’s accrual falls below the maximum amount.

Accrual rates and maximum accrual levels are as follows:

| <u>Tenure</u> | <u>Annual Accrual</u> | <u>Biweekly Accrual</u> | <u>Maximum Accrual</u> |
|----------------------------|-----------------------|-------------------------|------------------------|
| 0 – 5 full years | 200 hours | 7.692 hours | 600 hours |
| > 5 years to 10 full years | 240 hours | 9.231 hours | 720 hours |
| > 10 full years | 280 hours | 10.769 hours | 840 hours |

B. Advance of General Leave upon Appointment: Upon an employee’s appointment to a position covered in this bargaining unit, the City Manager may authorize a beginning General Leave balance above zero. If the employee leaves the City prior to having earned the General Leave provided in the starting balance, it will be deducted from the employee’s final paycheck.

C. Conversion of Vacation and Sick Leave: Employees represented by the MBMEA accrue general leave and do not accrue vacation or sick leave. City employees who have been promoted or reclassified to an MBMEA position from a position that accrues vacation and sick leave will have their existing leave accruals converted as follows:

Vacation leave will be converted to general leave. Sick leave hours will be frozen and may only be used in the following circumstances:

1. For any illness or non-work related injury that causes an employee to be out for ten (10) consecutive working days or more. An employee may convert used general leave to sick leave retroactively for absences that eventually meet that criteria.
2. For illness or injury of any length when general leave is exhausted.

Employees who retire from the City with frozen sick leave hours will have their sick leave converted to service credit in accordance with the City’s contract with CalPERS.

- D. Use of General Leave:** Accrued general leave may be used as earned for vacation, personal time off or for any reason that would qualify for sick leave pursuant to City policy and consistent with applicable law.

Employees wishing to use general leave for vacation, personal reasons, and sick leave where advance notice is possible (e.g., prescheduled doctor's appointments or procedures) should request such leave as far in advance as they are able, but usually at least one week in advance of the requested period. Leaves will be scheduled, insofar as possible and practical, at those times requested by each employee. However, approving the use of general leave is subject to operational feasibility to ensure the continuity of services and shall be solely at the discretion of the employee's supervisor.

Employees wishing to use general leave for sick leave purposes in cases where such advanced notice is not possible or practical should inform their supervisor such leave is needed (e.g. "calling in sick" for themselves or a family member). Requests for sick leave will be reviewed and granted consistent with applicable law.

- E. Annual Leave Cash-out:** 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 one hundred and twenty (120) hours of accrued general leave, which will be earned in the following calendar year and paid out the following December at the employee's base rate of pay. Elections will be made on forms provided by Human Resources and cannot be modified once elected. The employee's General Leave balance cannot be reduced below 80 hours as a result of cashing out leave. Thus, if the employee's leave balance would fall below 80 hours as a result of cashing out leave, the employee will receive cash for their election only for the hours above 80.

- F. Payment of Accrued and Unused Leave Upon Separation:** When an employee separates from City employment, general leave balances shall be paid out at the employee's base rate of pay.

ARTICLE 9: HOLIDAYS

- A. Designated Holidays:** The following days shall be recognized and observed as paid holidays:

1. New Year's Day, January 1.
2. Martin Luther King, Jr. Day, third Monday in January.
3. Presidents' Day, third Monday in February.
4. Memorial Day, last Monday in May.
5. Independence Day, July 4th.
6. Labor Day, first Monday in September.
7. Columbus Day, second Monday in October.
8. Veteran's Day, November 11th.
9. Thanksgiving Day, fourth Thursday of November.
10. Friday following Thanksgiving Day.
11. Christmas, December 25th.

- B. Observance of Holidays and Holiday Pay:** Employees will receive eight (8) hours for each paid holiday above that falls on a work day provided they are in paid status the day preceding and the day following a scheduled holiday. Employees are required to use general leave hours for the additional one or two hours depending on their work schedule (e.g., employees on a 9/80 work schedule will supplement leave time with one hour of general leave).

If one of the paid holidays falls on a Sunday, the Monday following shall be observed as the holiday. If one of the paid holidays falls on a Saturday, the Friday preceding shall be observed as the holiday.

- C. Holiday Leave Bank:** If a holiday falls on an employee's regularly scheduled day off, they will accrue eight (8) hours in a holiday bank. The employee may use the hours in the holiday bank as leave time (requesting to use the leave similarly to a request for vacation) except that the hours must be used as leave and cannot be cashed out. There is no cash value associated with these holiday bank hours. The maximum number of hours an employee may have in the holiday bank is forty (40) hours. All employees will be paid for the above mentioned legal holidays.

ARTICLE 10: ADDITIONAL BENEFITS AND LEAVE PROGRAMS

- A. Vehicle Allowance:** Employees are eligible for a vehicle allowance according to the applicable City policy.
- B. Tuition Reimbursement Program:** All employees shall be eligible to participate in the City's tuition reimbursement program as outlined in the applicable City policy. The current annual reimbursement amount for tuition and books is \$3,000.
- C. Bereavement Leave:** Upon the death of an immediate family member, employees may use up to forty (40) hours of paid bereavement leave in a consecutive twelve-month period beginning from the date the leave first begins. For bereavement leave purposes, immediate family members include spouse, registered domestic partner, parent, brother, sister, child, mother-in-law, father-in-law, sister-in-law, brother-in-law, foster child, foster parent, grandparent and grandchild. This bereavement leave will not be charged to the employee's accrued leave balances.
- D. Jury Duty Leave:** The City will provide up to two (2) weeks (80 hours) paid leave time for employees who are summoned to serve for jury duty in accordance with the following:
- Employees are to immediately notify their supervisor when summoned for jury duty and provide the jury summons upon request.
 - Employees serving jury duty or appearing in court as a result of a jury summons will receive pay for time served, up to a maximum of 80 hours of pay each 12-month period.
 - Employees will remain on their normal work schedule throughout their jury service and will only be compensated when serving on their regularly scheduled work days.
 - Employees who are temporarily released from actual service for one-half (1/2) work day or more will report back to work for the remaining hours in the workday unless the employee

has arranged in advance to take leave. If the employee is required to report in the afternoon, they will report to work for the first part of their work day.

- Employees will complete their timesheet and provide documentation of time served in the method required by the payroll division of the Finance Department.

E. Catastrophic Leave Program: Employees in the unit shall be permitted to donate accrued general leave to other City employees who have exhausted all paid leaves, who have been granted an unpaid leave and who need to continue to be absent from work because of a catastrophic injury or illness. The value of the leave will be determined based on the donating employee's compensation. It will then be converted to general leave hours for the donee's use based on the donee's rate of pay. For example, if an employee who earns \$40 per hour donated 10 hours of general leave to an employee who earns \$30 per hour, the donee would receive \$400 divided by \$30 or 13.333 hours of general leave. Bargaining unit members may donate General Leave to members outside of the bargaining unit. Then value of such leave will be converted to the donee's rate of pay. Leave may not be donated from outside the unit. An employee wishing to donate leave must inform the Human Resources Department of their desire to donate leave, the amount of the donation and the employee to whom they wish to donate.

F. Workers' Compensation and Injury on Duty (IOD) Leave: Employees are authorized injury leave when the employee suffers a compensable illness or injury while on duty or arising in and out of the course of employment, which may also qualify for Family Medical Leave. The City will pay the employee's salary for the first seven (7) days of a qualified absence. If the absence continues past seven (7) calendar days, the employee will collect temporary total disability (TTD) payments, which they may supplement with accrued General Leave to remain in full time paid status. Workers' compensation benefits will be administered in accordance with applicable state law per the California Labor Code and current City policy.

G. Leave of Absence without Pay: If an employee has exhausted all of their leaves, an employee may request a leave of absence without pay, which is subject to City Manager approval. Leave without pay for a protected leave and medical accommodation will be submitted to the Human Resources Office and handled as a reasonable accommodation request. For requested leaves of absence for a non-medical reason, the Department Director may recommend to the City Manager to grant an employee a leave of absence without pay for up to one (1) year at their discretion. The City Manager's decision is final and is not grievable.

ARTICLE 11: GRIEVANCE PROCEDURE

This grievance procedure is the sole and exclusive manner by which an employee or the Association can challenge any allegations that the City has misinterpreted, misapplied or violated this MOU in any way. A grievance shall be defined as an allegation by an employee or the Association of a misinterpretation, misapplication or violation of a particular provision of this MOU.

A. Informal Grievance Procedure (Resolution with Immediate Supervisor and/or Department Head): Any employee with a grievance is encouraged to initiate the grievance procedure within thirty (30) calendar days of the date of the incident, or when the employee should reasonably have been made aware of the grievance, by explaining the situation orally or in writing to their immediate supervisor and/or department head. If a disagreement about the MOU interpretation or application still exists following the informal procedure, employees should initiate the following procedure.

B. Formal Grievance Procedure:

1. Filing of Grievance and HR Director Decision: The employee or the Association may initiate a formal grievance, in writing, to the Human Resources Director within sixty (60) calendar days of the date of the incident. While employees are encouraged to utilize an informal grievance process, a formal grievance may be filed regardless of if the informal grievance procedure under Step A is utilized. If the employee or the Association so requests, following written submission of the grievance, the Human Resources Director shall meet with the employee and their representative in an effort to resolve the issue. Within thirty (30) calendar days, the Human Resources Director, shall present their decision, in writing, to the employee and/or the Association.
2. Mediation: Either the employee or the Association may request the grievance be submitted to mediation within fifteen (15) working days of receipt of the HR Director's decision. Upon request to mediate the grievance, the City shall make the formal written request for a mediator from the California State Mediation and Conciliation Service.
3. City Manager Determination: Within fifteen (15) working days of the Human Resources Director's Decision or the day of mediation (if mediation was requested and did not resolve the grievance), the employee or the Association may request in writing to present the grievance to the City Manager. If such a meeting is requested, the City Manager shall meet with the employee and their representative, or the Association representatives bringing forth the grievance, in an effort to resolve the issue. The meeting with the City Manager is not a hearing, but an informal meeting where the employee or Association will have the chance to explain its position. Within thirty (30) working days of this informal meeting held, the City Manager or designee shall present a decision, in writing, to the employee and the Association, with copies to the Human Resources Director. The City Manager's decision shall be final.

C. Prescribed Timeframes in Grievance Proceedings: The time limits contained herein can be extended by mutual agreement of the parties. Unless such agreement occurs prior to the timeframes prescribed herein, the employee and the Association waive their rights for grievance filing, mediation or appeal if they do not respond within the prescribed timeframes within each step.

ARTICLE 12: DISCIPLINE

The disciplinary procedures listed in this article only apply to “classified” employees (those listed in Article 2 of this MOU) and do not apply to “at-will” employees. An “at-will” employee may be discharged at any time by the appointing power with or without cause.

The City is committed to following the principles of progressive discipline. Disciplinary actions should be designed to fit the nature of the employee’s performance or conduct. The particular action imposed shall depend on the severity of the conduct, the particular factual circumstances involved, the employee’s work history and previous formal disciplinary record and take into consideration other incidents with comparable circumstances. For purposes of this Article, a working day is defined as a day City Hall is open for business.

A. Disciplinary actions defined

1. Oral or Written Warning: An oral or written warning is a tool by supervisors to address performance problems or minor instances of misconduct. An oral or written warning may be initiated at any time. When issuing an oral or written warning, the supervisor or manager will review with the employee the specific deficiency(ies) or misconduct in question, improvement needed, the City’s standards, and the supervisor’s expected behavior moving forward. The employee should be advised of the action that will be taken should they fail to achieve the improvement outlined within the time period specified. Written warnings will be kept in the supervisory file, rather than the official personnel file, and a copy will be given to the employee. At the supervisor’s discretion, a summary of the behavior leading up to the warning may be incorporated into the employee’s performance evaluation during their next evaluation. Once the performance evaluation is completed for the year and the supervisor determines if the warning should be incorporated into the employee’s performance evaluation, all warnings referenced in the supervisory file shall be discarded.
2. Letter of Reprimand: A Letter of Reprimand is considered the lowest level of formal discipline. A Letter of Reprimand may be used for minor offenses warranting disciplinary action and/or to provide formal notice to an employee that the City will take further disciplinary action unless immediate, real and consistent improvement in performance is demonstrated. The supervisor or manager issuing the Letter of Reprimand shall meet with the employee to discuss specific improvements required within a defined time period to avoid further disciplinary action where applicable. A copy of the Letter of Reprimand will be placed in the employee’s official personnel file. A Letter of Reprimand is not appealable, but the employee may attach a written response for the Department Head to review and evaluate. The employee’s written response will be placed in the employee’s official personnel file.
3. Suspension: Suspension is the temporary removal of an employee from their duties without pay. A suspension should be commensurate with the offense and may not exceed thirty (30) days.

4. Reduction in Pay: A Reduction in Pay is a reduction in compensation for a limited and defined period of time. An example of this is a reduction in the employee's step placement for a defined period of time, which does not result in any classification change. The employee remains in their classification and continues to perform their regular and customary duties for the duration of the Reduction in Pay.
5. Demotion: Demotion is the movement of an employee from their current classification to a classification having a lower salary range. The employee must meet the minimum qualifications of the position to which they are demoting. Demotion is generally utilized as a disciplinary action when the employee has not been able to competently perform required duties of their classification but did not engage in misconduct that would preclude them from City Employee. Demotion may also be utilized as progressive disciplinary action. Demotion cannot result in the displacement of an employee who is a member of the MBMEA bargaining unit.
6. Discharge: Discharge is the involuntary termination of an employee from City employment.

B. Pre-Disciplinary Procedure

If an employee is to be suspended, receive a reduction in pay, be demoted or discharged, the employee shall receive written notice of the proposed disciplinary action in advance of the imposition of discipline, stating the specific grounds and the particular facts upon which the action is based. The notice will include copies of any known materials, reports or other documents upon which the intended action is based. Electronic copies will be provided upon request.

Within seven (7) calendar days after the employee has been provided with the notice of proposed disciplinary action, the employee shall notify the Department Head or Human Resources Director of their intention to respond in writing or orally to the proposed disciplinary action. The employee's response will be reviewed or heard by the "Skelly Officer" who will be the Department Head or designee who has the authority to modify or eliminate the intended disciplinary action. If the employee elects to respond in writing, the employee must respond within seven (7) calendar days after his/her election to provide a written response. If the employee requests a meeting, it will be scheduled within a reasonable timeframe.

Following the written response or in-person meeting, the Skelly Officer (if a person other than the department head) will issue their written decision to the Department Head. The Department Head or designee will issue the employee a final written notice of discipline in accordance with the Skelly Officer's decision prior to the effective date of the disciplinary action.

C. Disciplinary Appeal Process

1. A disciplinary action of suspension of three (3) days or less is appealable through the following procedure below:

Step 1: The employee must, within seven (7) calendar days, present the appeal to the Human Resources Director for processing. The employee's appeal must state the specific policy(ies), rule(s) and/or MOU provisions that were allegedly improperly applied and the bases for appealing the imposed disciplinary action and stating the specific resolution desired. The failure of the employee to take this action shall constitute a waiver of the appeal, unless time limits are extended through mutual agreement.

Step 2: Within a reasonable time of receipt of the appeal, the Human Resources Director will set up a meeting between the employee and their representative with the City Manager or designee to review the issues. A written decision will then be rendered within thirty (30) calendar days of the meeting. The decision of the City Manager will be final.

2. A disciplinary action of suspension of four (4) days or more, reduction in pay, demotion or discharge is appealable per the appeal procedure below.

The employee may, within ten (10) calendar days of receipt of the disciplinary action, appeal to advisory arbitration. The parties, or their designated representatives, in good faith shall attempt to agree on an arbitrator. If they are unable to agree within a reasonable time, either party may request the State Mediation and Conciliation Service to submit a list of seven (7) arbitrators. The parties shall select the arbitrator by alternately striking names (beginning with the Association) from a list until one name remains. Such person shall then become the arbitrator.

The arbitrator so selected shall hold a hearing within a reasonable timeframe at a time and place convenient to the parties.

The arbitrator's decision shall be submitted to the City Manager with copies to all parties. The City Manager may adopt, reject, or modify the arbitrator's decision. The City Manager's decision shall be rendered in writing within thirty (30) calendar days of receipt of the arbitrator's decision. The City Manager's determination constitutes a final administrative action by the City subject to judicial review pursuant to Code of Civil Procedure Section 1094.5.

Costs of the arbitrator shall be borne by the City.

The City Manager's decision is final and conclusive.

- D. Retention of Documents:** Any disciplinary action up to the level of a suspension of four (4) hours or less shall be removed from an employee's personnel file at the time an employee leaves City employment if the employee has not been disciplined in the last eighteen (18) months.

ARTICLE 13: ASSOCIATION RIGHTS

- A. Association Dues:** The Association shall provide written notice to the payroll division of the Finance department when employees have elected to join the MBMEA and should have the applicable dues deducted from their wages. Payroll will set up, remove or modify the deduction as requested in writing by the MBMEA. Upon the City's request, the Association will confirm the appropriate status (whether dues should be deducted or not) of any employees(s).
- B. Indemnification:** The Association shall indemnify the City from any claims, demands, or other action relating to the City deducting dues from employees who have authorized the deduction.
- C. Employee Orientation:** City will provide the Association with ten (10) calendar days advanced notice, or as soon as practicable, of all new employee orientations within the bargaining unit. The Association will select its representative to meet with the new employee and that meeting will be conducted after completion of the City orientation. City representatives will not be present during this meeting. When selecting its representative, the Association will make reasonable efforts to minimize disruption to the department operational needs. The Association will be provided up to thirty (30) minutes to discuss, among other things, the rights and obligations created by the MOU, the role of the Association, and to answer any questions that the employee may have. Alternatively, upon the request of the Association, the Association may provide written materials to be provided to the employee by Human Resources staff during the new hire orientation. The inclusion of said materials are subject to the review and approval of the Human Resources Director.
- D. Employee Information:** The City will provide the employee information it has on file, including name, job, title, department, work location, work email and phone numbers for all new hires within the bargaining unit within thirty (30) days of hire. In addition, on a quarterly basis, the City will provide the Association with a digital file containing the same information for all employees in Association-represented classifications.

ARTICLE 14: NON-DISCRIMINATION

It is agreed that neither the MBMEA nor the City shall discriminate against any employee because of any protected class identified by law.

ARTICLE 15: CHANGES TO JOB DESCRIPTIONS

During the term of the MOU, if the City wishes to modify any job description for any classification in the unit, it may do so. However, the Association shall have the right (within ten (10) calendar days of receiving notice of the change of the job description) to request to meet and confer promptly over any terms and conditions of employment related to the change. If the Association does not respond within the 10 calendar days, the City may move forward with revising the job description.

ARTICLE 16: MANAGEMENT RIGHTS

The City need not meet with the representatives of the Association to consider and decide:

1. Issues of public policy;
2. The merits, necessity, or organization of any department, service or activity provided by the City pursuant to law or ordinance;
3. Matters which relate to the management of the City or the direction of its work force, including the right to direct employees, to hire, promote, transfer, assign, or retain employees, or suspend, demote, discharge, or take other proper disciplinary action against employees, maintain the efficiency of the operation of the City Government, and take any actions necessary to meet conditions of an emergency nature, subject to the rules and regulations of the City. The City Manager need not meet with the representatives of any recognized employee organization to consider the personal grievance of an individual employee or group of employees until the procedure for the resolution of grievances provided for in this MOU has been completed.
4. If the City proposes a work schedule change for a member of the unit by informing the Association, and if the Association has no objection, the schedule change can go into effect on the date the parties agree.

ARTICLE 17: SAVINGS CLAUSE

If any provision of this MOU is for any reason held to be illegal or unconstitutional, such decision shall not affect the validity of the remaining portions of this MOU.

This MOU was ratified by the Manhattan Beach Mid-Management Employees Association and then approved by the City Council of the City of Manhattan Beach on March 3, 2020.

MBMEA

CITY OF MANHATTAN BEACH

BY _____
Shawn Igoe
President

BY _____
Lisa Jenkins
Human Resources Director

BY _____
Jessica Vincent
Vice President

BY _____
Gwen Eng
Secretary/Treasurer

BY _____
Vicky Barker
Chief Labor Negotiator

BY _____
Peter J. Brown
Chief Labor Negotiator

EXHIBIT A - SALARY SCHEDULE

The following is a list of the classifications represented by the MBMEA and their salary effective March 14, 2020.

| | A | B | C | D | E | F | G | H | I | J | K | L |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Accountant | 5,366 | 5,500 | 5,637 | 5,778 | 5,922 | 6,070 | 6,222 | 6,378 | 6,537 | 6,700 | 6,868 | 7,040 |
| Building Official | 10,471 | 10,733 | 11,001 | 11,276 | 11,558 | 11,847 | 12,143 | 12,447 | 12,758 | 13,077 | 13,404 | 13,739 |
| Building Services Analyst | 6,405 | 6,565 | 6,729 | 6,897 | 7,069 | 7,246 | 7,427 | 7,613 | 7,803 | 7,998 | 8,198 | 8,403 |
| City Engineer | 12,757 | 13,076 | 13,403 | 13,738 | 14,081 | 14,433 | 14,794 | 15,164 | 15,543 | 15,932 | 16,330 | 16,738 |
| Crime Analyst | 6,405 | 6,565 | 6,729 | 6,897 | 7,069 | 7,246 | 7,427 | 7,613 | 7,803 | 7,998 | 8,198 | 8,403 |
| Cultural Arts Manager | 8,568 | 8,782 | 9,002 | 9,227 | 9,458 | 9,694 | 9,936 | 10,184 | 10,439 | 10,700 | 10,967 | 11,241 |
| Environmental Sustainability Manager | 8,568 | 8,782 | 9,002 | 9,227 | 9,458 | 9,694 | 9,936 | 10,184 | 10,439 | 10,700 | 10,967 | 11,241 |
| Equipment Maintenance Supervisor | 7,184 | 7,364 | 7,548 | 7,737 | 7,930 | 8,128 | 8,331 | 8,539 | 8,752 | 8,971 | 9,195 | 9,425 |
| Facilities Supervisor | 7,184 | 7,364 | 7,548 | 7,737 | 7,930 | 8,128 | 8,331 | 8,539 | 8,752 | 8,971 | 9,195 | 9,425 |
| Geographic Information Systems Analyst | 7,184 | 7,364 | 7,548 | 7,737 | 7,930 | 8,128 | 8,331 | 8,539 | 8,752 | 8,971 | 9,195 | 9,425 |
| Information Systems Manager | 10,471 | 10,733 | 11,001 | 11,276 | 11,558 | 11,847 | 12,143 | 12,447 | 12,758 | 13,077 | 13,404 | 13,739 |
| Information Technology Analyst | 7,184 | 7,364 | 7,548 | 7,737 | 7,930 | 8,128 | 8,331 | 8,539 | 8,752 | 8,971 | 9,195 | 9,425 |
| Maintenance Manager | 10,471 | 10,733 | 11,001 | 11,276 | 11,558 | 11,847 | 12,143 | 12,447 | 12,758 | 13,077 | 13,404 | 13,739 |
| Maintenance Supervisor | 7,184 | 7,364 | 7,548 | 7,737 | 7,930 | 8,128 | 8,331 | 8,539 | 8,752 | 8,971 | 9,195 | 9,425 |
| Management Analyst | 6,405 | 6,565 | 6,729 | 6,897 | 7,069 | 7,246 | 7,427 | 7,613 | 7,803 | 7,998 | 8,198 | 8,403 |
| Planning Manager | 10,471 | 10,733 | 11,001 | 11,276 | 11,558 | 11,847 | 12,143 | 12,447 | 12,758 | 13,077 | 13,404 | 13,739 |
| Police Records Manager | 8,568 | 8,782 | 9,002 | 9,227 | 9,458 | 9,694 | 9,936 | 10,184 | 10,439 | 10,700 | 10,967 | 11,241 |
| Principal Civil Engineer | 10,471 | 10,733 | 11,001 | 11,276 | 11,558 | 11,847 | 12,143 | 12,447 | 12,758 | 13,077 | 13,404 | 13,739 |
| Purchasing Manager | 8,568 | 8,782 | 9,002 | 9,227 | 9,458 | 9,694 | 9,936 | 10,184 | 10,439 | 10,700 | 10,967 | 11,241 |
| Recreation Program Supervisor | 6,405 | 6,565 | 6,729 | 6,897 | 7,069 | 7,246 | 7,427 | 7,613 | 7,803 | 7,998 | 8,198 | 8,403 |
| Recreation Manager | 8,568 | 8,782 | 9,002 | 9,227 | 9,458 | 9,694 | 9,936 | 10,184 | 10,439 | 10,700 | 10,967 | 11,241 |
| Revenue Services Manager | 8,568 | 8,782 | 9,002 | 9,227 | 9,458 | 9,694 | 9,936 | 10,184 | 10,439 | 10,700 | 10,967 | 11,241 |
| Senior Accountant | 6,405 | 6,565 | 6,729 | 6,897 | 7,069 | 7,246 | 7,427 | 7,613 | 7,803 | 7,998 | 8,198 | 8,403 |
| Senior Civil Engineer | 8,568 | 8,782 | 9,002 | 9,227 | 9,458 | 9,694 | 9,936 | 10,184 | 10,439 | 10,700 | 10,967 | 11,241 |
| Senior Management Analyst | 7,184 | 7,364 | 7,548 | 7,737 | 7,930 | 8,128 | 8,331 | 8,539 | 8,752 | 8,971 | 9,195 | 9,425 |
| Senior Plan Check Engineer | 8,568 | 8,782 | 9,002 | 9,227 | 9,458 | 9,694 | 9,936 | 10,184 | 10,439 | 10,700 | 10,967 | 11,241 |
| Senior Planner | 8,568 | 8,782 | 9,002 | 9,227 | 9,458 | 9,694 | 9,936 | 10,184 | 10,439 | 10,700 | 10,967 | 11,241 |
| Senior Recreation Manager | 10,471 | 10,733 | 11,001 | 11,276 | 11,558 | 11,847 | 12,143 | 12,447 | 12,758 | 13,077 | 13,404 | 13,739 |
| Traffic Engineer | 8,568 | 8,782 | 9,002 | 9,227 | 9,458 | 9,694 | 9,936 | 10,184 | 10,439 | 10,700 | 10,967 | 11,241 |
| Urban Forester | 7,184 | 7,364 | 7,548 | 7,737 | 7,930 | 8,128 | 8,331 | 8,539 | 8,752 | 8,971 | 9,195 | 9,425 |
| Utilities Manager | 10,471 | 10,733 | 11,001 | 11,276 | 11,558 | 11,847 | 12,143 | 12,447 | 12,758 | 13,077 | 13,404 | 13,739 |
| Wastewater Supervisor | 7,184 | 7,364 | 7,548 | 7,737 | 7,930 | 8,128 | 8,331 | 8,539 | 8,752 | 8,971 | 9,195 | 9,425 |
| Water Supervisor | 7,184 | 7,364 | 7,548 | 7,737 | 7,930 | 8,128 | 8,331 | 8,539 | 8,752 | 8,971 | 9,195 | 9,425 |