

MEMORANDUM OF UNDERSTANDING

between the

City of Hollister

and the

CONFIDENTIAL UNIT

July 1, 2025 – June 30, 2026

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1. **PREAMBLE**

This Memorandum of Understanding is entered into by the City of Hollister, hereinafter referred to as "City", and the Confidential Employees Unit, hereinafter referred to as "Unit". This Memorandum of Understanding hereinafter referred to as "M.O.U.", is subject to Sections 3500-3510 of the Government Code of the State of California, otherwise known as the Meyers-Milias-Brown Act.

2. **RECOGNITION**

Pursuant to Section 3500-3510 of the Government Code, the City certifies Unrepresented Unit as the recognized majority representative for all regular career, full-time employees in the Unit. The Unit includes:

- Accountant
- Accounting Manager
- Administrative Analyst
- Deputy City Clerk
- Executive Assistant to the City Manager
- Human Resources Analyst
- Human Resources Technician I
- Human Resources Technician II
- Information System Analyst
- Information Systems Technician
- Legal Administrative Assistant
- Management Analyst
- Payroll Manager
- Senior Support Services Assistant (Confidential)
- Support Services Assistant I/II (Confidential)

3. **NO ABROGATION OF RIGHTS**

This M.O.U. does not modify any City Council or City Management rights.

4. **SALARY ADJUSTMENT**

Effective the first full pay period after July 1, 2025, the City shall apply a zero percent (0.00%) across-the-board increase to the base salary of all unit classifications.

5. HOLIDAYS

1. Holiday Schedule

All Confidential Unit members are entitled to 12.5 paid holidays per year. Each paid holiday is the equivalent to 8.00 hours unless otherwise noted. The 12.5 paid holidays in the schedule below are the equivalent to 100.00 hours. The holidays are as follows:

January 1	New Year's Day
Third Monday in January	Martin Luther King Jr. Day
Third Monday in February	Presidents Day
March 31	Cesar Chavez Day
Last Monday in May	Memorial Day
June 19 th	Juneteenth National
July 4 th	Independence Day
First Monday in September	Labor Day
November 11 th	Veterans Day
Fourth Thursday in November	Thanksgiving Day
Fourth Friday in November	Day after Thanksgiving
December 24 th (1/2 day)	Christmas Eve
December 25 th	Christmas Day

If one of the holiday listed above falls on a Sunday, then it shall be observed on the following Monday. If one of the holidays listed above falls on a Saturday, then it shall be observed on the previous Friday.

2. Holiday Office Closure

The City Manager may elect to close certain City offices to the public between the Christmas and New Year's Day holidays. However, it will also be necessary to have a base level of staffing to open and operate certain offices during core business hours. Not all departments will be impacted as some public services must be provided on a continual basis.

To accommodate these needs, the City will provide all unit members with a bank of thirty-two (32) HOLIDAY CLOSURE HOURS. An employee will have the option, with Department Head approval, to use HOLIDAY CLOSURE HOURS at any point between November 1 – December 31. There are no exceptions to these dates. HOLIDAY CLOSURE HOURS cannot be cashed-out and carry no cash value. Unused hours will be forfeited.

It is the employee's responsibility to ensure that required hours are taken off work prior to the end of each applicable fiscal year. Management will make every effort to accommodate employees' requests for the equivalent hours of time off.

The Holiday Office Closure is neither grievable nor appealable. However, employees who believe that the Holiday Officer Closure has not been administered according to the provisions of this agreement, including not being granted the time off, may request a review by an advisory committee composed of one (1) union representative and one (1) City Management representative.

3. Working/Called in on a Holiday

Any employees represented by this unit who works or is called in on a holiday shall receive compensatory time off from duty at a rate equal to the amount of time worked on the holiday up to eight hours per day worked. If a represented employee is also entitled to an event pay the employee will be allowed to receive both the compensatory time and event pay.

6. VACATION

A. Entitlement

All Confidential unit member employees are entitled to accrue vacation based on B. Accrual below. Employees may take accrued vacation after the completion of six (6) months of service.

B. Accrual

<u>Years of Service</u>	<u>Annual Vacation Accrual</u>
<i>1st through completion of 3rd</i>	<i>10 days</i>
<i>4th through completion of 7th</i>	<i>15 days</i>
<i>8th through completion of 15th</i>	<i>20 days</i>
<i>16th through completion of 20th</i>	<i>22 days</i>
<i>Beginning of 21st year</i>	<i>25 days</i>

C. Maximum Accrual

Confidential unit members may only accumulate a maximum of thirty- five (35) working days (280 hours) of vacation without the authorization of the City Manager. Accumulated vacation time of more than thirty-five days (280 hours) requires prior

written authorization by the City Manager and must be used prior to the end of the calendar year or it will be lost.

Any Confidential Unit Employee who leaves in good standing from the City shall be compensated for a maximum of two-hundred eighty (280) hours at the employee's hourly rate of pay at the time of separation from City service.

D. Floating Holidays

All Eligible unit members shall receive two (2) floating holidays for the fiscal year for their use beginning on July 1 of each fiscal year.

E. Vacation Conversion to Cash

Confidential Unit Members may cash out vacation leave hours in the increments of ten (10) hours as long as it has been budgeted and must have the City Manager's Approval. Compensation for vacation leave cashed out will be made at the employee's rate of pay at the time of cash out. Request for payment of vacation time shall be made in writing to the Department of Administrative Services at least thirty (30) days in advance.

Payments of cashed-out vacation leave will be made on the first full pay day which follows the end of the thirty (30) day advance. This payment will be made in the regular payroll check issued for that pay period.

7. SICK LEAVE

A. Entitlement

Sick leave shall be accrued at a rate of twelve (12) days per year (8 hours per month).

B. Accrual

Unused Sick Leave may be accrued without limit.

C. Sick Leave Conversion to Cash

All Confidential Unit Members employees may be compensated for a percentage of accrued, unused sick leave to cash at death or retirement from City employment. The provisions for this policy are as follows:

1. Confidential Unit Members may not "cash out" or be compensated for any of the first 240 hours of sick leave accrued.
2. Any Confidential Unit Member having completed 10 years of continuous service with the City and who retires from City service by filing for Service Retirement with CalPERS, will be compensated for fifty percent (50%) of accrued, unused sick leave in excess of 240 hours at the employee's hourly rate of pay at the time of retirement from City service.
3. The surviving spouse or State-registered Domestic Partner, beneficiary(s), dependent(s), or estate of any current employee of this unit who has completed 10 years of continuous service with the City and dies while employed by the City prior to retirement, will be compensated for fifty percent (50%) of accrued, unused sick leave in excess of 240 hours at the employee's hourly rate of pay at the time of death.
4. Any Confidential Unit Members having completed 10 years of continuous service with the City and having an unused sick leave accrual balance exceeding 500 hours may, at their option, "cash out" up to a maximum of 96 hours (12 days) of unused sick leave annually as long as the "cashed out" hours do not diminish the unused sick leave accrual balance to an amount less than 500 hours.
5. Compensation for unused, accrued sick leave will be made at the employee's rate of pay at the time of "cash out". Requests for payment of unused sick leave as described herein, shall be made in writing to the Administrative Services Department at least 30 days in advance of June 1st and December 1st of each year.
6. Payments of "cashed out" unused sick leave will be made on the first pay day which follows June 1st and December 1st of each year.

8. ADMINISTRATIVE LEAVE

All Confidential Unit Members shall receive eighty (80) hours Administrative Leave on July 1st of each fiscal year. The terms for use of Administrative Leave are as follows:

- A. Administrative Leave credit will be accrued at the rate of 3.08 hours per pay period.
- B. The entire eighty (80) hours of Administrative leave will be advanced and be available for use on July 1 of each fiscal year.
- C. Leave usage must be identified and recorded on the official time card for the period in which leave was taken.

- D. Residual Administrative Leave not utilized during the fiscal year may not be carried over into a subsequent year unless prior approval by the City Manager. Administrative Leave shall not be cumulative and shall not be converted into monetary compensation, except upon termination or retirement.
- E. In the event an eligible employee terminated during the year, unused accrued Administrative Leave shall be paid out in the same manner as unused vacation. If leave has been taken beyond that which is accrued, the employee must pay back all excess leave taken.
- F. For eligible employees hired during the year, prorated leave credit will be accrued from the date of hire.

9. INSURANCE

A. Description

The City of Hollister Flexible Benefits Plan/Cafeteria Plan (hereinafter "Plan") is available to full-time employees (hereinafter "Employees"). There will be three participation levels as referenced under Section [E]. Optional benefits are listed below. Once an election is made, it will remain in force until the next open enrollment period. A Third-Party Administrator (T.P.A.) fee will be paid by the employees that participate in the Plan.

B. Health Insurance Options

The City shall provide employees with the choice of participating in the Public Employees' Medical and Hospital Care Act (PEMHCA) program offered by CALPERS.

C. IRS Code Section 125 Flexible Benefits/Cafeteria Plan

1. The City shall provide for unit members an IRS Code Section 125 Flexible Benefits/Cafeteria Plan in accordance with all applicable state and federal laws and regulations.
2. The City shall contribute towards the PEMHCA medical, dental and vision care plan amounts allocated in accordance with the City's IRS Code Section 125 Flexible Benefits/Cafeteria Plan as specified below.
3. The City shall allocate specified amounts of "Flex Credits" to the employee's flexible benefit account. These amounts shall consist of the following:

- a. The City will contribute a dollar amount towards monthly medical insurance premiums at the following levels:

COVERAGE	EMPLOYER CONTRIBUTION
Employee Only	\$1,406.88
Employee Plus One	\$2,813.76
Employee Plus Family	\$3,657.89

- b. The City will contribute towards dental insurance in the following amounts:

COVERAGE	CITY CONTRIBUTION
Employee Only	\$49.80
Employee Plus One	\$100.63
Employee Plus Family	\$135.91

- c. The City will contribute towards vision insurance in the following amounts:

COVERAGE	CITY CONTRIBUTION
Employee Only	\$14.15
Employee Plus One	\$30.29
Employee Plus Family	\$30.29

4. In the event that surplus Flex Credits are available, any Confidential Unit Employee shall have the option to allocate such Flex Credits to one or more of the following:
- Confidential Unit Employees' Flexible Spending Account.
 - Roth Individual Retirement Account (IRA).
 - ICMA or City-authorized 457 Deferred Compensation Plan.

If a Unit Employee's residual "Flex Credits" are reduced, the employee will have the responsibility to pay the contribution no longer covered by the Surplus Flex Credits.

5. Employees who waive either dental and/or vision coverage shall have the option to apply available flex credits towards the cost of any optional premium listed in the

respective sections below. The cost of the optional premium not covered by available flex credits shall remain the employee's responsibility.

6. Employees who elect to waive any or all health coverage shall be subject to the terms and provisions described under Section [J] below.

D. Terms for Health Care Participation

Participation and coverage in the medical, dental, and vision care plans shall be in accordance with the terms and conditions of the insurance carrier.

E. Health Care Contributions

1. Employee-only Premium

The City shall contribute towards the medical, dental, and vision insurance plans an amount equal to the employee-only premium at the time of adoption of this M.O.U. for each member of the unit. The employee-only premium for medical insurance shall be in accordance with Section [C] above.

2. Employee Option for Dependent Coverage

Those employees who elect the option for dependent coverage for medical, dental, and vision insurance plans, the City shall contribute monthly amounts equal to the employee plus one and employee plus family toward such dependent coverage in accordance with Section [C] above.

F. Vision Insurance

The City shall provide a vision care insurance plan which is available to eligible unit members and qualified dependents during the term of this M.O.U.

The City shall offer vision care insurance for employees and qualified dependents as a pre-tax flexible benefit option. Participation and coverage shall be in accordance with the terms and conditions of the insurance carrier.

G. Dental Insurance

The City shall offer dental care insurance for employees and qualified dependents as a pre-tax flexible benefit option. Participation and coverage shall be in accordance with the terms and conditions of the insurance carrier.

H. Life Insurance

The City shall provide term life insurance in the amount equal to \$100,000 for each member of the unit for the term of this M.O.U. Additional term life insurance may be purchased by the employee in increments of \$10,000 up to a total of \$250,000.

I. Long Term Disability Insurance

The City agrees to provide to all employees within this unit at City cost a Supplemental Long Term Disability Plan, coordinated with other existing benefits to provide no more than a thirty (30) day exclusion or elimination period; no less than a one year benefit for accident or illness; and a minimum scheduled benefit of sixty-six percent (66%) or two-thirds (2/3) of gross salary to a maximum of \$3,500.00 per month for the term of this M.O.U.. The City in its sole discretion shall select the Supplemental Long Term Disability Plan carrier that meets these requirements.

J. Health Insurance Waiver Option

1. Employees within this bargaining unit who elect not to participate in the City's health care insurance program will be compensated in an amount as follows:

\$535	Employee Only
\$1,075	Employee plus one
\$1,380	Employee plus family

The compensation will be based on the level corresponding to the employee's verified non-City insurance coverage (employee only, employee plus one dependent, or employee plus two or more dependents). To receive this benefit, employees must submit documentation demonstrating their enrollment in a qualified non-City health insurance plan at the applicable coverage level. This documentation must be provided at the time of waiver and during any subsequent verification periods as specified in Section [3] below. Upon verification of coverage, this cash amount will be paid as part of the employee's bi-weekly payroll

2. Employees within this bargaining unit shall be eligible to elect not to participate in the City's health care program.

3. Employees within this bargaining unit electing not to participate in the City's health care insurance program must annually provide proof of medical insurance coverage and verify any dependents as if they were receiving coverage through the City in order to maintain payment under this waiver option.
4. For employees who elect not to participate in the group medical coverage offered by the City, the City will provide dental and vision coverage for the employee and his/her dependents at the levels provided for in Section [C], above.
5. In addition to the coverage options specified under Article 7. Insurance of the Memorandum of Understanding between the City of Hollister and Confidential Unit members, the following optional health benefits shall be available to the employees of this bargaining unit.

K. Optional Health Benefits

Employees within this unit that have elected to participate in a City-offered medical plan can also elect to participate in the optional benefits. If the employee has any surplus flex credits after making all elections required to participate in the medical insurance, the employee can use that surplus toward optional qualified insurance benefits or one or both of the pre-tax spending accounts. Employees that wish to participate in the optional benefits plan, but do not have any surplus credits, can elect to have a pre-tax payroll deduction in an amount to cover the cost of their elections.

Employees may pay the premiums for the following benefits on a voluntary basis:

- Medical Insurance
- Dental Insurance
- Vision Insurance
- Group Term Insurance up to \$50,000 for Employees only
- Accidental Death and Dismemberment Insurance
- Short Term Disability
- Cancer Insurance
- Supplemental Health Insurance
- Accidental Only Insurance
- Intensive Care Insurance

L. Flexible Spending Accounts (FSA's)

The City agrees to offer a pre-tax dependent care reimbursement account up to the maximum reimbursement allowed by law to be funded by employee.

The City agrees to offer a pre-tax medical reimbursement account, up to the IRS maximum amount per year per employee.

M. Voluntary Life Insurance

The City shall offer a voluntary supplemental life insurance plan through the flexible benefits plan for pre-tax contributions by the employees. Participation and coverage shall be in accordance with the terms and conditions of the insurance carrier. Employees may also elect pre-tax payroll deductions to support other City sponsored voluntary supplemental insurance benefits.

N. Miscellaneous

The City of Hollister does not allow the employee to take the surplus credits in taxable cash. For employees who elect not to participate in the group medical coverage offered by the City, the City will provide dental and vision coverage for the employee and his/her dependents at no cost to the employee.

O. Cost-Savings

During the term of this agreement, the parties agree that upon request to meet and discuss regarding potential cost savings/sharing measures related to health and welfare plan designs or premiums.

10. RETIREMENT

A. Contribution

Tier 1

- a. Effective the first full pay period after the execution of the MOU, and the City's subsequent adoption of the Resolution changing the CalPERS Retirement Employee Contribution Rate, all unit employees under the Miscellaneous CalPERS "2.5% @ age 55" Retirement Benefit Plan shall pay eight percent (8%) of their Compensation as part of the Employees' contribution.

Tier 2

- b. Effective the first full pay period after the execution of the MOU, and the City's subsequent adoption of the Resolution changing the CalPERS Retirement Employee Contribution Rate, all unit employees under the Miscellaneous

CalPERS “2% @ age 60” Retirement Benefit Plan shall pay seven percent (7%) of their Compensation as part of the Employees’ contribution.

Tier 3

- c. Effective on or after January 1, 2013, all new employees hired on or after January 1, 2013, and who are defined as a “new member” under the Public Employee Pension Reform Act of 2013 (PEPRA), AB 340 shall pay the employee contribution rate as established by State of California law.

B. 1959 PERS Survivor Death Benefit

The City shall provide the PERS Section 21574 "Fourth Level 1959 Survivor Death Benefit" for all eligible unit members for the term of this contract. The City shall pay the employer rate contribution. The employee shall pay the member rate contribution.

C. One-Year Final Compensation Benefit

The City shall provide the PERS Section 20042 "One Year Final Compensation" benefit for eligible unit members.

All new employees hired on or after January 1, 2013, and who are defined as a “new Member” under PEPRA, are subject to the new State Formulas, Final Compensation Period, and Contribution requirements as established by the PEPRA.

11. PROFESSIONAL DEVELOPMENT INCENTIVE PROGRAM

Employees who have successfully completed probation shall be eligible to receive a one-time professional development incentive for obtaining certificates or degrees received after the date of this M.O.U. A professional development incentive shall not be awarded if the certification or degree is a minimum requirement for their position.

The certificate must relate to the employee's current position or future lateral or promotional opportunities with the General Employees Unit, Mid-Management Association or the unrepresented units of Confidential Employees and Executive Management. Vocational Training, for purposes of this section, is defined as a minimum of 100 hours of specific training in a career field which results in a certificate of completion. The minimum one hundred (100) hours shall be documented classroom time or in the case of a correspondence program identified as the average length of time required to complete the program certification as documented by the certifying agency or institution. Only one (1) professional development incentive per fiscal year can be received by an employee. If an employee receives a Ph.D., Master's degree or Bachelor's degree in a fiscal year, the employee may also receive one (1)

additional professional development incentive for a certificate earned in the same fiscal year. Additionally, any additional development incentives earned in the same fiscal year do not rollover to the subsequent fiscal year. The city will reimburse members up to four thousand five hundred dollars (\$4,500.00) per fiscal year for tuition reimbursements.

A. Professional Certificates - \$2,500.00 Lump Sum:

- Professional Engineer Registration
- Professional Land Surveyor Registration
- Certified Public Accountant
- Engineer-In-Training
- Land Surveyor-In-Training
- American Institute of Certified Planners
- Paralegal Certificate
- Grade 5 Water Treatment Operator or Water Distribution Operator
- Grade 5 Waste Water Treatment Operator
- Certified Municipal Clerk (CMC)
- Master Municipal Clerk (MMC)
- QSP
- QSD

B. College Degrees and Certificates - \$2,500.00 Lump Sum

- Ph.D.
- Master's Degree
- Bachelor's Degree
- Associate's Degree

C. Technical Certificates - \$2,000.00 Lump Sum:

- Grade 4 Water Treatment Operator or Water Distribution Operator
- Grade 3 Water Treatment Operator or Water Distribution Operator
- Grade 2 Water Treatment Operator or Water Distribution Operator
- Grade 1 Water Treatment Operator or Water Distribution Operator
- Grade 4 Waste Water Treatment Operator
- Grade 3 Waste Water Treatment Operator
- Grade 2 Waste Water Treatment Operator
- Grade 1 Waste Water Treatment Operator
- I.C.B.O. Certificates
- Public Works Inspector – NICET
- Cross Connection Control Specialist Certification
- Certified Arborist

D. Vocational Certificates of Completion:

Examples:

- A (+) Certification (Computer Hardware, Software & Networking)
- Microsoft Certified Systems Engineer
- Cisco Certified Network Associates
- Operation Of Wastewater Treatment Plants Program administered by California State University, Sacramento Regional and Continuing Education Program
- Title 29 CFR 1910.120(q) - 24 Hour Hazardous Materials (Hazmat) Technician Level III Certification

The amount of the incentive for any Vocational Certificate of Completion shall be based on the following number of hours of course work:

Minimum Hours For Vocational Certificate	Amount
100	\$ 1,500.00
80	\$ 1,200.00
60	\$ 900.00
40	\$ 600.00
20	\$ 300.00

E. Technical Certificates - \$1,000.00 Lump Sum:

- Chemical Applicator
- Licensed Tree Trimmer
- Automotive Service Technician (A.S.E.)

F. Additional Eligibility Criteria

Additional licenses and certificates eligible for these professional development incentives, not listed in this Article, may be reviewed and approved by the Department Head in accordance with the following criteria:

- The license or certificate submitted for consideration must directly relate to the employee's current position or future lateral or promotional opportunities in accordance with the provisions of this section.
- The employee earning the license or certificate shall be subject to duties and assignments commensurate with the level of proficiency attained under the City's Professional Development Incentive Program.

- After the effective date of this M.O.U., all such requests for consideration for eligibility for such license and certificate incentives shall be submitted to the Department Head for review, with final approval by the City Manager at his/her sole discretion. The City Manager's determination is not subject to appeal. The process for receiving a professional development incentive under this program shall be:
- Prior to beginning any class, program, seminar or study toward a desired certificate or degree, the employee must submit a request to his/her department head for consideration and approval of bonus award. Qualifying classes, programs, seminars or study toward a desired certificate or degree shall not be denied.
- If prior approval is not obtained, the class, program, seminar or study toward a desired certificate or degree shall not fall within the scope of this Professional Development Incentive Program.
- Upon obtaining a copy of the certificate or degree, payment will be processed for the specified incentive. Professional development incentives shall not be granted prior to receiving a copy of the degree or certificate.

The following are not eligible for consideration under this Section:

- Any driver's licenses
- Certificates, licenses, or degrees required for the position the employee holds
- Certificates, licenses, or degrees earned at the expense of the City including City sponsored training programs and consortium training programs except for approved tuition reimbursement pursuant to Section 8.10 (D) and (E) of the City of Hollister Personnel Rules & Regulations for Associate degrees, Bachelor's degrees, Master's degrees, and Ph.D. degrees.

12. TUITION REIMBURSEMENT

The City will provide for tuition reimbursement in accordance with provision of the current Personnel System Rules and Regulations. In order to be eligible for this reimbursement the employee must obtain prior approval for the course from both the department head and the City Manager.

13. DEFERRED COMPENSATION PLAN

The City shall continue to provide a voluntary Deferred Compensation Plan for all employees of this unit for the term of this M.O.U.

14. BILINGUAL ALLOWANCE

Employees who perform technical bilingual skills (reading, writing and oral translation) for the benefit of the City on a regular and ongoing basis and who successfully pass City-administered proficiency test shall receive an allowance based on the level(s) of bilingual competency listed below.

Level I – Oral Translation

Employees who perform technical bilingual skills (reading, writing, translation) and who successfully pass a City-administered proficiency test shall receive an allowance of one hundred seventy-five dollars (\$175.00) per month.

Level II – Written Translation

For employees who successfully pass the written proficiency test, shall receive an additional amount of one hundred and seventy-five dollars (\$ 175.00) per month. Each department within the City will be allowed 3 positions of level 2 bilingual services. If a department's need for bilingual services becomes greater than the allotted 3 positions, the department head may request to increase its bilingual services pending City Managers approval.

Employees who become eligible for Level II will be required to serve as an oral translator and/or provide written translation in the course of the employee's duties on a regular and on-going basis, per the City's needs. These employees may be called upon by other departments on an as need basis.

Such Level II Bilingual Translators shall perform written translations that are viewed by a large audience of city residents (i.e. City mailers, informational brochures, inserts in city utility billings, social medial, public notices, and any additional documents as needed.) Employees, who are currently receiving Level I Bilingual Allowance, will not be required to retest in order to continue receiving the monthly allowance.

15. DRUG FREE WORKPLACE POLICY

The City's Drug Free Workplace Policy, City Personnel Section 15(G), is incorporated by reference into this M.O.U.

16. MILEAGE REIMBURSEMENT

The City shall reimburse all eligible unit members for mileage driven in their personal vehicles while conducting City Business at the rate specified by the Internal Revenue Service. Claims for such reimbursement must be submitted on the proper City form and approved by the city before payment can be made.

17. JURY DUTY AND SUBPOENAED WITNESS

Any eligible employee of this unit shall be allowed to take leave from his/her City Duties without loss of wages, leave time or other benefits for the purpose of responding to jury selection or serving on a jury for which he/she has been selected, subject to the limitation that an employee receives paid leave for jury duty not more than once per calendar year. In the case of serving on a jury more than one time during a year, the employee has the option of using leave time to mitigate loss of pay. No employee shall suffer loss of wages or other benefits responding to a subpoena to testify in court on behalf of the City.

18. LONGEVITY PAY

A longevity bonus shall be paid to employees of this unit who complete the following specified consecutive years of service after the effective date of this M.O.U.:

NUMBER OF

CONSECUTIVE YEARS

10 - 14 Years

15 - 19 Years

20 or more Years

LONGEVITY BONUS

Three Percent (3.0%) of Base Salary

Six Percent (6.0%) of Base Salary

Nine Percent (9.0%) of Base Salary

19. LAND SURVEYOR LICENSE CERTIFICATION

All employees of this unit who possess and maintain a valid California Land Surveyor License shall receive Annual Incentive Pay of five percent (5%) of base salary, payable as part of the employee's bi-weekly payroll. Employees covered by this agreement, whose job assignment as determined by the City Manager requires this certificate and performs the work will be the individuals that receive the annual incentive pay.

20. COMPUTER LOAN PROGRAM

Confidential Employees shall be eligible to purchase computer equipment through the City. Under this program, the City shall offer a one-percent (1%) loan to Confidential Employees

who purchase a computer, printer, scanner, and/or any directly-associated computer hardware/software package. All Confidential Employees who participate in this program must pay back the loan in full either directly or through payroll deductions within one year from the date of the loan. Confidential Employees shall make twelve equal payments payable once per month.

Confidential Employees shall be eligible for a subsequent loan contingent upon the full balance of the previous loan paid off in full. Employees electing to participate in this program shall specify in writing their agreement to allow withholding of any unpaid balance through payroll deductions in the event the employee leaves City service or expires.

The computer equipment shall remain the property of the Confidential Employee at all times after purchase.

21. NOTARY PUBLIC COMMISSION PAY

Any Confidential Unit Employee who possess and maintains a Notary Public Commission shall receive an allowance of \$125.00 per month. Employees who receive Notary Public Commission Pay shall remain subject to the needs and requirements of the City.

22. ACCOUNTING MANAGER – CERTIFIED PUBLIC ACCOUNTANT LICENSE CERTIFICATION PAY

In accordance with the finance, budgeting, accounting requirements of the City and pursuant to the licensing requirements of the State of California Board of Accountancy, the position of Accounting Manager shall be entitled to Certification Pay in the amount of Five-Percent of salary based upon the Accounting Manager obtaining of and maintaining a California Certified Public Accountant License.

23. WORKING OUT OF CLASSIFICATION ASSIGNMENT

Unit employees assigned by management on a Personnel Action Form (P.A.F.) shall be compensated within the salary range for which the assignment is made, but in no case less than five percent (5%) subject to the following:

1. The position must be budgeted.
2. Must be assigned in writing by the department head and approved by the City Manager to work in a higher classification and, therefore, performs substantially all of the duties of the higher classification for a period of more than ten (10) consecutive working days or eighty (80) consecutive working hours in a fiscal year, (or eight (8) consecutive working days) the

employee, shall be entitled to be compensated with an additional five percent (5%) over his/her current rate of pay, beginning with the eleventh (11th) day or the eighty-first (81st) hour of the assignment. A continuous out-of-classification assignment bridging two (2) fiscal years shall be treated as if it occurred during the prior fiscal year. For example, an employee receiving the compensation for an assignment, which commences on June 15 of one (1) fiscal year and ended on July 5 of the succeeding fiscal year, would receive compensation for the entire assignment. Similarly, an employee whose 11th day or eighty-first (81st) hour of out-of-classification assignment occurred during the prior fiscal year would commence receiving compensation as of the 11th day or eighty-first (81st) hour. This provision shall apply only as pensionable compensation for Classic Members as defined by the Public Employees' Pension Reform Act (PEPRA) of 2013 as it is currently enacted and as it is amended in the future, and its implementing regulations, referred to hereinafter collectively as "PEPRA".

3. The grievance procedure shall not be utilized by unit members in any conflict and Management's assignment or non-assignment is final a binding upon all parties.

24. FLEXIBLE WORK SCHEDULE

Eligible unit members may work flexible work schedules (i.e. 4/10, 9/80) when feasible. It is not the intention of the City to reduce the number of hours that City services are available to the public. It is agreed that implementation of flexible work schedules shall be evaluated on a work unit basis, and will only be approved in those units where flexible work schedules can be implemented without reducing service levels and cost effectiveness. Participation in flexible work schedules is not mandatory, and approval to work such schedules remains at the sole discretion of the City. The approval to work a flexible schedule does not create a vested right for any employee to maintain that schedule. The City retains the right to modify, restrict, or terminate an employee's flexible work schedule based on operational needs, performance concerns, or other relevant factors. Nothing in this provision shall be construed to create an entitlement or automatic right to a flexible work schedule.

25. PERSONNEL SYSTEM RULES AND REGULATIONS

This M.O.U. sets forth certain benefits and working conditions for employees in the Unit. Other rules, regulations, policies, and general working conditions governing employment for employees covered by this M.O.U. are set forth in the Personnel System Rules and Regulations of the City. If during the term of this M.O.U. the City desires to amend the Personnel System Rules and Regulations, the City shall give notice to the Unit of the proposed changes. Representatives of the City and Unit shall meet in a timely manner. Hours, wages, and general working conditions contained in the Personnel System Rules and Regulations are the proper subjects of the grievance procedure.

26. STANDBY PAY

Employees covered by this agreement who are assigned to standby duty shall be paid three hundred fifty dollars (\$350.00) for each week that they are so assigned. Standby pay can be broken down by a rate of \$50.00 per day (\$350.00 divided by 7 days) to the maximum of \$350.00 per week. The City shall have full discretion in making and administering standby assignments. This shall include, but not be limited to, the authority of the City to:

1. Require an employee to be available at all hours by telephone or to use a pager.
2. To restrict employee's travel in order to perform standby assignments.
3. Require employee to refrain from activities which would impair the ability to respond to emergency situations.

Management agrees to involve employees in discussions regarding standby policy modifications.

Standby assignments shall be scheduled in advance to provide even distribution of on-call assignments to the extent possible. However, schedule adjustments may be necessary due to illness, vacation, vacancy, and/or other types of approved leave.

27. EVENT PAY

Any Unit Employee who is required to work a special event (i.e. Hollister Motorcycle Rally, Hollister Airshow, HazMat Day, etc.) and with City Manager's approval will be compensated \$400 per day.

28. HUMAN RESOURCES TECHNICIAN I/II – FLEXIBLY STAFFED POSITION

The City shall advance employees that are in the entry level of flexibly staffed classifications to the journey level after meeting the experience requirements for the journey level classification, successfully passing a probationary period in the entry level classification and being given a satisfactory performance evaluation.

29. TERM OF AGREEMENT

The term of this M.O.U. shall commence on July 1, 2025 and shall expire June 30, 2026, unless otherwise agreed to by both parties. It is also agreed to by both parties to initiate the meet and confer process in a timely fashion, exchanging written proposals at least thirty (30) days prior

to the termination of this agreement. An extension of the term of this agreement on a month to month basis may be made by mutual agreement of the parties.

The effective date of this Memorandum of Understanding is the date on which the City Council takes action in an open and public meeting to ratify and approve this M.O.U.

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

CITY OF HOLLISTER

HOLLISTER CONFIDENTIAL

EMPLOYEE UNIT

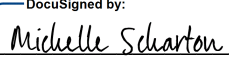
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Jim Pia

Interim City Manager

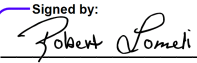
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By 
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Michelle Scharton

Group Representative

Dated 10/8/2025 | 9:38:34 AM PDT

By 
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Robert Lomeli

City Negotiator