

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF HOLLISTER
AND
SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 521**



JULY 1, 2026– JUNE 30, 2027

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ARTICLE 1. PREAMBLE

This Memorandum of Understanding is entered into by the City of Hollister, hereinafter referred to as "City", and the Service Employees International Union, Local 521, CTW-CLC, hereinafter referred to as "Union," having met and conferred in good faith, do hereby jointly prepare and execute the following written Memorandum of Understanding (MOU). It is understood that the provisions set forth the full and complete understanding of the parties in accordance with Sections 3500-3510 of the Government Code of the State of California, otherwise known as the Meyers-Milias-Brown Act.

ARTICLE 2. NO DISCRIMINATION

The City and Union agree that there shall be no discrimination against any employee in the unit because of race, religion, creed, political affiliations, color, national origin, ancestry, age, sexual orientation, or sex, unless defined as a bona-fide occupation qualification as defined by Federal or State law. The City and Union also agree not to discriminate against any employee for his/her activity on behalf of, or membership in or lack of membership in, the Union. Any employee alleging a violation of this article shall have the burden of proving the existence of a discriminatory act or acts and of proving that but for such act or acts the alleged injury or damage to the grievant would not have occurred.

ARTICLE 3. RECOGNITION

Pursuant to Section 3500-3510 of the Government Code, the City certifies the Union as the recognized majority representative for all regular career, full-time employees in the General Unit. The General Unit includes all classifications of non-management, non-supervisory, and non-confidential employees in the City other than those classifications designated as local-safety in the Police and Fire Departments and the classes of Police Services Officer, Police Services Supervisor, and Multi Services Officer.

ARTICLE 4. NO ABROGATION OF RIGHTS

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

ARTICLE 5. MAINTENANCE OF BENEFITS

The articles included in this agreement constitute a full and complete agreement with the City and Union on all matters within the scope of representation for the period stated in Article 18. Term Of Agreement. All present resolutions, ordinances, rules and regulations, practices and policies covering matters within the scope of representation will continue in force and effect during said period without change, except to conform to the terms of this M.O.U. subject to meet and confer. Notice of any matter proposed to be changed will be provided to the Union in a timely fashion.

ARTICLE 6. SALARY AND SPECIAL COMPENSATION

A. Salary Adjustments

Compensation Adjustments

Effective the first full pay period after the execution of this MOU, by all parties, the City shall apply a zero percent (0.00%) increase to the base salary of all unit classifications.

B. Retirement

1. 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.

2. 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.

3. 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 PEPR, are subject to the new Benefit Formulas, Final Compensation Period, and Contribution requirements as established by the PEPR.

C. 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 and who successfully pass a City-administered oral 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 twenty-five dollars (\$ 125.00) 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 media, 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.

D. Compensatory Time

1. Overtime

Employees shall have the option to either receive paid compensation at a rate one and one-half (1 ½) times the employees regular rate of pay for all hours worked in excess of forty (40) hours per week, or to take compensatory time off from duty at a rate of one and one-half (1 1/2) times the amount of each overtime hour worked which exceeds forty (40) hours per week.

2. Holidays

Employees who work holidays shall have the option to either receive paid compensation at a rate one and one-half (1 1/2) times the employees' regular pay rate plus receive the employees' regular paid compensation for the holiday, or to take compensatory time off from duty at a rate one and one-half (1 1/2) times the amount of each hour worked plus receive eight (8) hours regular paid compensation. Employees who are called in on holidays shall also receive this option.

3. Maximum Accrual

Employees may accumulate a maximum of 240 hours (160 FLSA overtime hours worked) in their "comp time bank".

4. Compensatory Time Conversion To Cash

Employees may convert accumulated compensatory time to cash as follows:

- a. Twice during the fiscal year an employee may request a cash payment of accumulated Compensatory Time Off (CTO).
- b. Requests for payment must be made in writing to the Finance Department at least thirty (30) days in advance of June 1st and December 1st of each year.
- c. Cash payment of CTO shall be paid on the first pay day which follows June 1st and December 1st of each year.

E. Overtime and Holiday Pay

1. Overtime Pay

Any employee represented by this unit who is authorized or required to work overtime in excess of forty (40) hours per week shall be compensated at the rate of time and one-half for each hour worked of the Fair Labor Standards Act (FLSA) regular rate of pay or granted as equivalent compensatory time off

(CTO).

2. Holiday Pay

Any employee represented by this unit who is authorized or required to work on any City recognized holiday shall be compensated at the rate of time and one-half for each hour worked, in addition to regular pay for the holiday.

F. 24-Hour Hazardous Materials (Hazmat) Certification Premium Pay

Employees covered by this agreement who are required to perform duties and respond to emergency situations involving exposure to hazardous materials, and who possess and maintain a 24-Hour Hazardous Materials Technician Level III certification that meets 29 CFR 1910.120(q) shall be paid premium pay of five percent (5.0%) so long as they are assigned such responsibilities and maintain current certification for this Premium Pay.

Eligibility shall be effective on the first Payroll Period following ratification of this Memorandum of Understanding.

The City will review annually the number and types of occurrences to which employees qualifying for this premium pay are called to respond to in order to determine the cost-effectiveness of maintaining this program. The City reserves the right to re-negotiate the amount of the premium pay in consideration of the number and magnitude of the incidents, the actual response by the employee(s) both during and outside normal business hours, and other factors deemed relevant by the City.

G. Heavy Equipment Operation Premium

Effective upon execution of this M.O.U., Employees in the class of Maintenance Worker I/II, Senior Maintenance Worker, Junior Water Operator, and Water Operator I/II who maintain a Class A license and operate heavy equipment shall receive a premium payment of two dollars (\$2.00) over his/her regular base rate for each hour worked.

H. License Certification

1. Land Surveyor License Certification

All employees who possess and maintain a valid California Land Surveyor License shall receive Annual Incentive Pay of five percent (5.0%) of base salary, payable as part of the employee's bi-weekly payroll.

2. Qualified Stormwater Developer (QSD)/ Qualified Stormwater Practitioner (QSP) Certification

An employee who possesses and maintains a valid QSD/ QSP Certification as required by the State of California for storm water best management practice shall receive Annual Incentive Pay of five percent (5.0%) of base salary, payable as part of the employee's biweekly payroll, if the employee's job assignment as determined by the City Manager requires the individual perform the work.

I. 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	LONGEVITY BONUS
<i>10 – 14 Years</i>	<i>Three Percent (3.0%) of Base Salary</i>
<i>15 – 19 Years</i>	<i>Six Percent (6.0%) of Base Salary</i>
<i>20 or more Years</i>	<i>Nine Percent (9.0%) of Base Salary</i>

Unit members who have achieved a longevity bonus prior to July 1st, 2009 shall be entitled to receive the difference between the previous longevity bonus and the increased longevity bonus provided in this M.O.U. so that the net result is that employees receive the same bonus amount with equivalent years of service.

J. Standby Pay

Employees covered by this agreement who are assigned to standby duty shall be paid three hundred and fifty dollars (\$350.00) for each week that they are so assigned or when there is a staff issue determined by management, prorated to a daily amount. The City shall have full discretion in making and administering standby assignments. This shall include, but not be limited to, the authority to:

1. Require an employee to be available at all hours by telephone or to use a pager.
2. To restrict travel.
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 three (3) months 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.

K. Callback Pay and Rest Periods After Emergency Callback

1. Callback Pay

Employees who are called back to work outside of their regularly scheduled hours, and not as a continuation of their work shift, in the event of an emergency, shall receive a minimum of two (2) hours compensation at time-and-one-half base pay or compensation for hours worked (including eligible FLSA overtime), whichever is greater.

Employees may be assigned to a roll down call back list and shall not be subject to the standby provisions and requirements of Article 6.J. Roll down call back lists are composed of employees who may be called during an emergency and are called in sequence until a person whose name is on the list is contacted and able to respond in a timely manner.

2. Rest Periods After Emergency Callback

- a. Rest Between Shifts: If an employee is called back for emergency work and performs four (4) or more hours of service during the eight (8) hours immediately preceding their next scheduled shift, the employee shall receive a minimum of eight (8) consecutive hours off before returning to duty. Any overlap between the rest period and the employee's regular shift shall be paid at the regular rate of pay.

Example: An employee normally works 8:00 a.m. to 5:00 p.m. and is called back to respond to an emergency from 12:00 a.m. to 5:00 a.m. The employee is entitled to an eight-hour rest period and would not be required to report back to work until 1:00 p.m. That missed time from 8:00 a.m. to 1:00 p.m. would be paid at the employee's regular rate.

- b. Extended Emergency Response: For emergency work exceeding twelve (12) consecutive hours, employees shall be provided an eight (8) hour rest break before returning to duty, unless otherwise agreed due to continued emergency needs.
- c. Late-Night Callbacks: If an employee is called back to work between 10:00 p.m. and 4:00 a.m., and works more than two (2) hours, the employee may be allowed to start their next regular shift later than usual or be granted paid administrative leave for part or all of that shift. This is subject to the City's operational needs and requires supervisor approval.

The intent of this provision is to support employee rest and recovery following significant overnight emergency work.

L. Uniform Allowance

The City will provide uniforms for employees working at the City Yard and at the City Airport.

M. Cellphone Allowance

At the execution of the M.O.U., the City will pay a cell phone allowance of \$40 per month to eligible employees (Water Maintenance Operator II, Senior Maintenance Worker, Wastewater Treatment Plant Operator II, Utility Engineer, Assistant Engineer, and Public Works Inspector) and those who are assigned by management to maintain a cell phone. Employees receiving this allowance shall keep the phone in service at all assigned times and shall maintain the phone in proper working order at the employee's expense. No employee will be allowed the Cell Phone Allowance if they also maintain a City provided Cell Phone. City has no financial responsibility for lost or damaged cell phones.

N. Notary Public Commission Pay

Any Union Employee who possesses, maintains, and is authorized by management to use a Notary Public Commission license on behalf of the City shall receive an allowance of one hundred twenty-five dollars (\$125.00) per month. Employees who receive Notary Public Commission Pay shall remain subject to the needs and requirements of the City. The Commission Pay will be payable as part of the employee's bi-weekly payroll.

O. Homeless Encampment Cleanup Assignment

Upon execution of this contract, whenever a Bargaining unit Worker volunteers to perform homeless encampment cleanup, the employee shall be paid, in addition to their basic compensation, two-hundred fifty dollars \$250.00 differential per day worked.

Whenever the Bargaining unit Worker who is eligible for this differential is required to work overtime, such employee's base hourly rate plus the two-hundred fifty dollars \$250.00 differential will be used in determining payment for overtime hours worked.

ARTICLE 7. 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	CITY CONTRIBUTION
Employee Only	\$1,342.93
Employee Plus One	\$2,685.86
Employee Plus Family	\$3,491.63

- 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, all Union Employees shall have the option to allocate such Flex Credits to one or more of the following:

- a. Union Employees' Flexible Spending Account.
- b. Roth Individual Retirement Account (IRA).
- c. ICMA or City-authorized 457 Deferred Compensation Plan.

If a Union 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

For 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 \$50,000 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. Effective January 1, 2014, 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 employer's contribution towards the premiums for the City's health plan at 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. In addition to the coverage options specified under Article 7. Insurance of the Memorandum of Understanding between the City of Hollister and the Service Employees International Union, Local 521, the following optional health benefits shall be available to the employees of this bargaining unit.

K. Optional Health Benefits

Employees 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 pre-tax payroll deductions 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.

The City agrees to offer a pre-tax medical reimbursement account, up to the maximum amount allowed by law.

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. In-Lieu Payment

The City will conduct a one-year pilot program with SEIU. This pilot program will require the City to contribute an amount equal to the difference between what the City would normally contribute in monthly medical benefit premiums and the employee's selected health plan.

This difference will be paid-out to the employee as part of the City's regular biweekly payroll process. An employee is only eligible for this provision if they are enrolled in medical benefits through one of the City's offered plans. This payment shall be subject to all applicable state and federal taxes and is not PERS-able. The employee must notify Payroll, in writing, that they wish to enroll in this program.

EXAMPLE: Employee is enrolled in Employee Plus Family plan. The City's monthly contribution is \$3,325.36. The employee enrolls in a medical plan at a cost of \$3,000 per month. The City would they pay-out the \$325.26 monthly difference to the employee as part of the City's regular payroll process.

Medical benefit enrollments sometimes change due to qualifying life events and/or through open enrollment. In the event an employee receives any in-lie payment that they were not eligible for, that employee shall immediately pay back the City the overpaid amount. The City and SEIU agree that the City may withhold any amount an employee incorrectly receives from that employee's paycheck.

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.

ARTICLE 8. JOB RELATED DISABILITIES AND THE AMERICANS WITH DISABILITIES ACT

A. Job Related Disabilities

City agrees to comply with applicable provisions of the Labor Code of the State of California for employees within this unit deemed disabled or temporarily disabled as a result and because of such job-related injury which requires them to be absent from active City service.

B. Americans with Disabilities Act

Circumstances surrounding compliance with the Americans with Disabilities Act (ADA) involve matters that are both personal and confidential, including with Civil Rights protections under law. Details about an individual case may not be disclosed to the City. However, should a unit member request an accommodation under ADA, and that requested accommodation would change the working conditions of members in the unit, the City shall meet with a representative from the unit to generally discuss the accommodation, but at no time shall the City disclose Personally Identifiable Information (PII) or any other confidential information associated with any individual, up to and including an individual's disability and/or medical diagnosis. Action taken by the City under this Article shall not be subject to the grievance procedure.

ARTICLE 9. SAFETY COMPLIANCE AND EQUIPMENT

A. Safety Compliance

The City and Union shall meet the requirements of Cal OSHA. The Union further agrees to bring any safety concerns immediately to the attention of management.

The City and the Union shall cooperate in pursuing safe working practices and shall establish a joint safety committee to address workplace safety concerns and develop actions that can be taken to address them. The committee shall meet on an as-needed basis, at the written request of either party, within ten (10) working days of such request or at another mutually agreed upon time. The committee shall consist of a minimum of two (2) union representatives and two (2) City representatives.

B. Safety Boot Allowance

All eligible unit employees that work out in the field shall be reimbursed up to three hundred dollars (\$300.00) per year, upon presentation of satisfactory proof-of-purchase, for safety shoes or boots which are approved and authorized by City management. Used safety shoes and boots are the property of the City and shall be returned to the City.

This allowance is to assist employees in purchasing City-approved work shoes and/or boots appropriate for the type of work being performed in accordance with General Industry Safety Orders, Title 8, Section 3385. Appropriate safety shoes and boots shall incorporate the following safety factors depending on the type of work performed:

1. Non-skid sole
2. Adequate ankle protection
3. Puncture protection
4. Impact/compression protection

C. CPR Training

From time to time, the City may offer CPR Training through the Certified Trainer with the City Fire Department. Subject to department needs. Employees may be granted release time to participate in this training.

D. Safety Equipment

The City agrees to provide all employees in classifications required to perform field, maintenance, operations, or safety-sensitive duties, with all necessary safety equipment and training appropriate to their assigned duties.

Such equipment may include, but is not limited to, appropriate gloves, safety glasses, hearing protection, chaps, hard hats, high-visibility vests, and respiratory protection.

All required safety equipment and training shall be provided by the City at no cost to employees.

ARTICLE 10. GRIEVANCE PROCEDURES

This grievance procedure shall be the sole and exclusive procedure for resolving grievances filed by employees covered by this M.O.U.

A. Definition

A grievance is a claimed violation, misapplication, or misinterpretation of a specific provision of this agreement or the City's Personnel System Rules and Regulations which adversely affects the grievant.

B. Stale Grievance

A grievance shall be void unless filed in writing within fifteen (15) calendar days from the date upon which the City is alleged to have misinterpreted or misapplied this agreement, or within fifteen (15) calendar days from the time an employee might reasonably have been expected to have learned of the alleged misinterpretation or misapplication. Such discovery period shall not exceed 180 days regardless of the date of discovery. In no event shall a grievance include a claim for money relief for more than the fifteen (15) day period plus such reasonable discovery period.

C. Informal Discussion with Employee's Supervisor

Before proceeding to the formal grievance procedure, an employee shall discuss his/her grievance with his/her immediate supervisor in private and attempt to work out a satisfactory solution. Any solution reached at this level must be reviewed by the Personnel Officer to assure compliance with this agreement before it has any binding effect.

D. Formal Written Grievance to Employee's Supervisor

If the employee chooses to formally pursue his/her grievance, he/she or his/her representative shall present the written grievance to his/her immediate within five (5) working days after the date upon which the grieving employee informally discusses the grievance with the supervisor. (In the event a group grievance is formally submitted by the recognized employee organization, its initial submission will be to the department head and subsequent steps will be followed as outlined in this section.) The formal written grievance shall specify the provisions of this M.O.U. or the City's Personnel System Rules and Regulations alleged to have been misinterpreted or misapplied, the remedy sought, and such other specific dates, times, places and persons and other facts necessary to derive a clear understanding of the matter being grieved. The immediate supervisor shall return a copy of the written grievance to the employee with the supervisor's answer thereto in writing within five (5) working days from receipt of the supervisor's answer within which to file an appeal to the next level.

E. Grievance to Department Head/City Manager

The department head or the City Manager, if the department head was the grievant's immediate supervisor, shall have seven (7) working days in which to review and answer the grievance in writing. Unless waived by mutual agreement of the employee or his/her representative and the department head or City Manager, a meeting is required at this level and the employee and his/her representative shall have the right to be present and participate in such a meeting. The time limits at this level may be extended by mutual agreement between the department head or City Manager and the employee or his/her representative.

F. Waiver of Appeal Steps

If the grievance is not resolved after the immediate supervisor has answered it in writing, the grievant(s) and the department head may, by mutual agreement, waive review of the grievance at Step E and proceed to present the grievance to the City Manager.

G. Advisory Fact Finding of Grievances

In the event the grievance is not resolved by the City Manager, the recognized employee organization may with fifteen (15) calendar days after receipt of the decision of the City Manager, request that the grievance be heard by a fact finder.

H. Selection of a Fact Finder

The fact finder shall be selected by mutual agreement between the City and the Union. If the parties are unable to agree on the selection of a fact finder, they shall jointly request the State Mediation and Conciliation Service to submit a list of five (5) qualified fact finders. The City and the grievant, or his/her representative, shall then alternately strike names from the list until only one name remains, and that person shall serve as fact finder.

I. Duty of a Fact Finder

Except when an agreed statement of facts is submitted by the parties, it shall be the duty of the fact finder to hear and consider evidence submitted by the parties and to thereafter make written findings of fact and a proposed disposition of the grievance which shall be advisory in nature.

The proposed disposition shall be based solely on the interpretation of the applicable provisions of the M.O.U. and other personnel rules if applicable to the grievance, and he/she shall not add to, subtract from, modify or disregard any of the terms or provisions of the M.O.U. or such rules.

J. Payment of Costs

Each party to a hearing before a fact finder shall bear its own expenses in connection therewith. All fees and expenses of the fact finder shall be borne one-half by the City and one-half by the grievant.

If the City does not implement the proposed disposition of the grievance made by the fact finder, the City shall pay all fees and expenses of the fact finder.

K. Effect of Failure of Timely Action

Failure of the employee(s) to file an appeal within the required time period at any

level shall constitute an abandonment of the grievance. Failure of the City to respond within the time limit at any step shall result in an automatic advancement of the grievance to the next step.

ARTICLE 11. UNION SECURITY

A. Union Dues Check-Off Deductions

1. In accordance with the provisions of this Article, the City shall make payroll deductions from the pay of employees who authorize such deductions in writing on a form provided and/or approved by the City. Such deductions shall be made in accordance with rules and regulations established by the City and the provisions of this Article. Deductions shall be in a pay period basis and shall be made payable to the Union. The Union, as the formally recognized employee organization, may designate the Hollister Municipal Employees Association as the payee of the dues check-off check from the City and to receive the check on behalf of the Union by providing specific written authorization to the City Finance Director. In lieu of such written authorization the dues check-off check shall be forwarded directly to the Union.
2. All other legal and required payroll deductions shall have priority over dues check-off deductions. The employee's earnings must be sufficient after other legal and required deductions are made to cover the amount of the dues check-off authorized. When an employee is in a non-pay status for an entire pay period, no withholding will be made to cover that pay period from future earnings nor will the employee be required to deposit the amount of deductions with the City which would have been withheld if the employee had been in a pay status during the pay period. In the case of an employee who is in a non-pay status during only a part of the pay period and the salary is not sufficient to cover the full withholding, no deduction shall be made.

B. Maintenance of Membership

This section shall be applicable to employees hired by the City on or before November 15, 1995. Membership in the Union shall not be compulsory. An affected employee has the right to choose either to become a Union member or to refrain from becoming a Union member. All affected employees who have authorized payroll deductions for payment of Union dues prior to the effective date of this M.O.U. (by reaffirming such deductions by voluntarily completing a re-commit card), and all affected employees who establish dues payroll deductions during the term of this M.O.U., shall remain members of the Union (with understanding that the authorization of deduction dues shall renew each year on the anniversary of the date the employee's signed re-commit card), provided that Union members on payroll deduction may end their authorization for deduction of Union dues by mailing (by certified mail) a signed resignation letter to SEIU Local 521's central office, postmarked between 75 days and 45 days before such annual renewal date. This

authorization is voluntary and is not a condition of the employee's employment.

The Union shall keep an itemized record of its financial transactions and shall provide the City, and any requesting employee, with a detailed written financial report thereof in the form of a balance sheet and an operating statement, certified as to accuracy by the Union president and treasurer (or corresponding principal officer) or certified public accountant. Such report(s) shall be provided to the City prior to March 1st of each year. If the Union fails to provide the required written financial report(s), the City shall suspend dues check-off deductions for each pay period the report(s) is unavailable.

C. Union Indemnification, Hold Harmless, and Defense

The Union agrees to indemnify, hold harmless, and defend the City and its officers, employees, and agents against all claims, proceedings, actions, and liability arising, directly or indirectly out of any actions taken or not taken by or on behalf of the City pursuant to any claims made and against any suits instituted against the City on account of the City's implementation and enforcement of Section A. Union Dues Check-Off Deduction, and Section B. Maintenance Of Membership of this Article.

ARTICLE 12. MISCELLANEOUS

A. 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.

B. Tool Replacement Allowance

1. The City shall provide a tool replacement fund for the replacement of worn out or broken shop tools and the purchase of new shop tools as needed. This allowance will be available to those employees in classifications which are required as a condition of employment to provide their own shop tools for the performance of their duties within City service. The utilization of this fund shall not exceed five hundred dollars (\$500.00) per employee for any fiscal year. All shop tools purchased and reimbursed under this provision shall be maintained by the employee so as to be immediately available for City work. This fund is meant as to have funds available for reimbursement not automatic payment to the employee.
2. The employee shall acquire the tool(s) and shall present documentary evidence (receipts and invoices, etc.) of the acquisition and ownership to the City for reimbursement. The Department Head or his designee may inspect and inventory all tools acquired under this provision.

C. 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 vacant and budgeted.
2. Must be assigned by Management.
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.

D. Sick Leave Conversion To Cash

Eligible unit employees may convert 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. Employees of this unit may not "cash out" or be compensated for any of the first 240 hours of sick leave accrued.
2. Any current employee of this unit 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, beneficiary(s), dependents), 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 one hundred percent (100%) 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 current employee of this unit 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.

E. Vacation Leave

Vacation leave accrual for each represented unit member shall be as follows:

Years of Service	Annual Vacation Accrual
<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>

Employees may cash out up to a maximum of forty (40) hours of vacation leave annually. 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 of June 1st and December 1st of each year. Payments of cashed-out vacation leave will be made on the first pay day which follows June 1st and December 1st of each year. This payment will be made in the regular payroll check issued for that pay period.

F. 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.

An appointing authority (i.e. Supervisor, Department Head, etc.) requiring an employee to modify their schedule, either by changing the day worked or by modifying their work schedule/hours, shall provide the employee with no less than 4 working days' notice to the employee.

G. Union Representatives Time Off

1. City shall grant Union employee board an aggregate of sixty (60) hours of paid time off from work per fiscal year for the purpose of attending Union sponsored educational and training opportunities as shown below:
 - a. Executive Board Meetings
 - b. Advisory Board Meetings

- c. Bargaining Team Training
 - d. Steward Training
 - e. Budget Training
2. It is agreed that the employee representatives shall provide sufficient notice to their supervisors so that work schedules can be arranged to compensate for their absence.
 3. The City will grant time off for "Meet and Confer" preparation and negotiations, for a time period not to exceed one hour before the respective negotiation session and one-half hour following the conclusion of same negotiation session.
 4. Unless modified by mutual agreement at the onset of negotiations, time off in addition to that provided in G(3.) for any other "Meet and Confer" preparation shall be taken as leave in accordance with the City's established leave procedures and with sufficient notice to Supervisors to ensure appropriate coverage of operations.

H. Advance Notice

Except in cases of emergency as provided in Government Code § 3504.5, the City will provide 30 days written notice to the Union of any ordinance, rule, resolution, or regulation directly related to matters within the scope of representation proposed to be adopted by the City and shall give the Union the opportunity to meet with the City. As provided by Government Code § 3504, "scope of representation" as used in this section shall include all matters relating to employment conditions and employer-employee relations, including, but not limited to, wages, hours, and other terms and conditions of employment, except, however, that the scope of representation shall not include consideration of the merits, necessity, or organization of any service or activity provided by law or executive order. In cases of emergency when the City determines that an ordinance, rule, resolution, or regulation must be adopted immediately without prior notice or meeting with the Union, the City shall provide notice and opportunity to meet at the earliest practicable time following the adoption of the ordinance, rule, resolution, or regulation.

I. Joint Labor-Management Committee

At the request of either party, the parties agree to convene a joint labor-management committee for the purpose of communication, information sharing, and problem solving on relevant issues.

J. 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 20 hours of specific training in a career field which results in a certificate of completion. The minimum twenty (20) 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 employee must request the professional development incentive within the same fiscal year the employee earned the eligible certificate, degree, and/or credential.

1. 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
- QSP
- QSD

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

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

3. 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
- Certified Pool Operator
- Collections Systems Maintenance
- Certified Storm Water Inspector

4. 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:

<u>Minimum Hours for Vocational Certificate</u>	<u>Amount</u>
100	\$ 1,500.00
80	\$ 1,200.00
60	\$ 900.00
40	\$ 600.00
20	\$ 300.00

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

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

6. 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 J.
- 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.

K. Flexibility Staffed Entry Level Positions

At the recommendation of the Department Head and approval of the City Manager, the City shall advance employees that are in the entry level of flexibly staffed classifications (i.e. Maintenance Worker I, Support Services Assistant I, to a II, and to Senior, Account Technician I to II) 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.

L. Length of Probationary Period for All Unit Members

1. Newly Hired Employees

Newly hired employees shall serve a mandatory one (1) year probationary period.

2. Promotional Appointments

Permanent employees whom are promoted shall serve a mandatory six (6) month probationary period. All existing employees that are subject to a probationary period as part of a promotion shall be returned to that employee's previous classification if the employee fails to meet the job requirements of the new classification within the probationary period.

M. Reclassification and Salary Adjustment Policy

The City and Union agree to develop a structured process for addressing individual reclassifications and resulting salary adjustments that will be consistent with the annual budget process.

N. Christmas Eve

The City shall provide an additional paid half (1 1/2) day holiday on the afternoon (4 hours) of December 24th, known as Christmas Eve. The Christmas Eve holiday shall be observed on the afternoon of the workday proceeding the day on which the December 25th holiday, known as Christmas Day, is observed.

O. Layoff and Reduction in Time Procedures

In those instances, where the City may have to lay off or reduce the work hours of bargaining unit members due to lack of work or lack of funds, the following order of layoff/ reduction shall be used:

1. Temporary/ seasonal workers
2. Workers on probation
3. Career, regular employees

In the event that a career employee is laid off, the following criteria shall be used:

1. Layoff by seniority, in the classification and department determined to be eliminated.
2. A laid off employee has the right to "bump" or displace the most junior worker in the classification, providing the laid off worker is qualified to fill the position.

P. Automatic Payroll Deposit

All new unit members of the Union shall enroll in the automatic payroll deposit program at the time of their employment with the City or at the time of promotion to this unit.

Q. Tuition Reimbursement

The city will reimburse Union members up to four thousand five hundred dollars (\$4,500.00) per fiscal year for tuition reimbursements in accordance to the rules set forth in the City's Personnel Rules and Regulations

The employee must request the tuition reimbursement within the same fiscal year the employee incurred eligible expenses.

R. Dignity and Professionalism

The City is committed to providing a workplace where all persons employed by the City of Hollister, regardless of their classification or pay status are treated with dignity, respect and in a professional manner, by all other persons employed by the City of Hollister, regardless of their classification or pay status. We shall treat one another in the ways we want to be treated ourselves, including clear communications of expectations regarding performance, support of individual opportunities for growth, and provide opportunities for input into decisions when they impact bargaining unit employees directly.

S. New Employee Orientation

The City shall allow a Union Representative thirty (30) minutes of release time to meet with any new employee for the purpose of union orientation. The City will notify the union representative of record, within 24 hours of the new employee's acceptance of final offer, of the employee's start date, and of the date and time of

and work with the Union Representative to schedule an orientation, as soon as practicable, but no later than two (2) weeks after the employees' hire date. If the City is unable to notify the Union Representative as outlined, the City will provide release time for the new employee and the Union Representative to complete the union orientation at a later scheduled date and time.

T. Timely Notification

When an employee discontinues paying membership dues, the Union should notify the City within 30 days.

U. Step Increases

Failure of an appointing authority to recommend a salary step advancement in accordance with the performance evaluation procedure shall be considered to be a recommendation of a salary step advancement effective on the anniversary date. Timeliness of evaluations is not subject to the grievance procedure.

ARTICLE 13. HOLIDAYS

A. Holiday Schedule

All members are entitled to 12.50 paid holidays per year. Each paid holiday is the equivalent to 8.00 hours unless otherwise noted. The 12.50 paid holidays in the schedule below are the equivalent to 100.00 hours. The holidays are as follows:

New Year's Day	January 1
Martin Luther King, Jr.	Third Monday in January
President's Day	Third Monday in February
Farmworkers Day	March 31
Memorial Day	Last Monday in May
Juneteenth	June 19
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Day of Thanksgiving
Friday after Thanksgiving	Day after Thanksgiving
Christmas Eve-Half Day	December 24
Christmas Day	December 25

In addition, each employee is entitled to four (4) floating holidays per fiscal year. Each floating holiday is the equivalent to 8.00 hours, calculated as 32.00 total hours.

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.

B. 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 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. No Employee shall lose the floating holiday time as a result of a denied time-off request.

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.

ARTICLE 14. LEAVES OF ABSENCES

SEIU MOU shall defer to all rights under law associated with Bereavement Leave, and all eligible leaves under law associated with pregnancy and/or parenthood, including leave for reproductive loss as covered under California law.

City also agrees to extend the Bereavement Leave rules by including the following language:

- The City Manager may authorize any unit member to have an additional 3 days of City-paid Bereavement leave if the unit member is attending a memorial service for a covered family member and attending those services causes the unit member to travel more than 300 miles round trip.
- Use of any accumulated leave balances shall be granted by the City because of the death of a member of the employee's family. "Family" shall mean the parent, stepparent, brother, sister, spouse, registered domestic partner, child,

foster child, child of registered domestic partner, stepchild, grandparent, grandchild, father-in-law, daughter-in-law, son-in-law, step brother or step sister, sister-in-law, brother-in-law, aunt, uncle, niece, nephew, immediate family member of registered domestic partner and any relative residing in the immediate household.

It is the intent of the City to attempt to accommodate newly hired employees who have not accumulated leave balances and are faced with death of an immediate family member as defined above.

ARTICLE 15. MAINTENANCE OF OPERATIONS

The Union agrees that during the term of this M.O.U. neither the Union, nor any representative acting on its behalf, will cause, authorize, engage in, condone or sanction a strike, sick-in, work stoppage, slow down, picketing (other than informational picketing on the employees' own time), concerted or individual failure to report for duty, unauthorized absence, including compliance with a request of another unit's labor organization to engage in or honor such activities against the City, or any activity by any other euphemism known which results in less than the full and faithful performance of any duties of employment.

If the City determines that an employee has engaged in any activity above, the employee may be subject to disciplinary action up to and including discharge from City service.

ARTICLE 16. PREVAILING M.O.U.

In the event of a conflict between a specific provision of this M.O.U. and a written rule, regulation, or resolution of the City or any of its divisions, the terms of the M.O.U. shall prevail and said written rule, regulation, or resolution shall be physically amended to conform to the specific provisions of this M.O.U.

ARTICLE 17. DRUG FREE WORKPLACE POLICY

The City's Drug Free Workplace Policy, City Personnel Rule 2.05, adopted by Resolution 92-116 (August 3, 1992), is incorporated by reference into this M.O.U.

ARTICLE 18. SAVINGS CLAUSE

If any article or section of this M.O.U. should be found invalid, unlawful or unenforceable by reason of any existing or subsequent enacted legislation or by judicial authority, all other articles and sections of this M.O.U. shall remain in full force and effect for the duration of this M.O.U. In the event of invalidation of any article or section, the City and the Union agree to meet within thirty (30) days for the purpose of meeting and conferring upon said article or section.

ARTICLE 19. TERM OF AGREEMENT

The term of this M.O.U. shall commence on July 1, 2026, and shall expire June 30, 2027, 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 above constitutes a full and complete agreement between the parties on all matters within the scope of representation.

CITY OF HOLLISTER	SEIU, LOCAL 521
Signed by: <i>Ana Cortez</i> 7/2/2026 11:06:47 AM PDT 2B5A2B4EC5064E1... Ana Cortez, City Manager	Signed by: <i>Carolynne Roderick</i> 7/2/2026 11:17:01 AM PDT E255911E6BEC4CF... Carolynne Roderick, SEIU Negotiator
Signed by: <i>Robert Lomeli</i> 7/1/2026 10:36:45 AM PDT 18002BB9B60E45E... Robert Lomeli, City Negotiator	Signed by: <i>Frank Garcia</i> 7/6/2026 11:20:05 AM PDT C6A51CE3EB004C7... Frank Garcia, SEIU Negotiator
Signed by: <i>Stephanie Brown</i> 6/30/2026 8:44:43 AM PDT 78051E27E55A404... Stephanie Brown, City Negotiator	DocuSigned by: <i>Rodrigo Aguilera</i> 7/7/2026 10:54:10 AM PDT 3D3133975ADE445... Rodrigo Aguilera, SEIU Negotiator
	Signed by: <i>Andrew Echevarria</i> 7/8/2026 8:34:39 AM PDT E56DCD1B21304DB... Andrew Echevarria, SEIU Negotiator

EXHIBIT [A]

SECTION 12. DISCIPLINARY PROCEDURE

Section 12.01 General

- A. The expected standard for employees of the City shall be to render the best possible service to the public, to reflect credit upon the City service, and to serve the public interest. The tenure of every employee shall be conditioned on good behavior and satisfactory performance of duties. Disciplinary actions are intended to be corrective and progressive in nature with the objective of obtaining compliance with rules, orders, procedures, standards of conduct and expected job performance.
- B. The procedures set forth in this section shall not apply to probationary employees who are rejected during probation, or to any employee serving in a seasonal or temporary appointment. These procedures shall not apply to a reduction in force, or a reduction in pay which is part of a reclassification action or reorganization approved by the City Council.
- C. The City Manager may take disciplinary action based upon a Department Head recommendation or initiate such action based upon his/her own authority. The City Manager may delegate the responsibility to take disciplinary action to Departments Head(s). As used in this section, "disciplining authority" shall mean either a Department Head or the City Manager, whoever initiates the disciplinary action; "working day" shall mean any day of the month when the City offices are officially open for business.
- D. The procedures set forth in this section shall not preclude an employee from entering into a written agreement with the City to settle a pending disciplinary matter, and further shall not preclude an employee from waiving any of the notice provisions herein provided for, as part of that written settlement agreement.

Section 12.02 Grounds for Discipline

An employee may be reprimanded, suspended, denied a merit increase, demoted or dismissed for any of the following reasons:

1. Furnishing false information to secure employment.
2. Incompetence, which shall mean that the employee lacks adequate ability, knowledge, motivation, or fitness to satisfactorily perform the duties which are within the scope of employment.
3. Inefficiency in performance of work which results in performance lower than that which is typically expected of the position.

4. Neglect of duty.
5. Insubordination, which shall mean refusal or failure to follow a direct, lawful order which the employee is capable of following.
6. Nonobservance of work hours.
7. Excessive absenteeism, tardiness, or absence without authorized leave.
8. Violation of city personnel rules and regulations, administrative policies and procedures, department rules and regulations, safety rules, resolutions, ordinances or codes.
9. Damage to or waste of public property, equipment or supplies, or unauthorized possession or use of public property, supplies or equipment.
10. Any conduct related to employment which impairs, disrupts or causes discredit to the employee's department or the city, including but not limited to conduct which is or would be cause for discipline under any other provisions of this section.
11. Willful failure or refusal to properly perform official duty.
12. Gross negligence in the discharge of official duty.
13. Dishonesty involving employment.
14. Any act of moral turpitude which adversely reflects on the employee's ability or fitness to perform his/her duties.
15. Soliciting or taking for personal use a fee, gift or other valuable thing in the course of the employee's work, or in connection with the contributing party's expectation or hope of receiving favorable or better treatment than that afforded other persons.
16. Disclosure of confidential information to an unauthorized source.
17. Refusal to take and subscribe to any oath or affirmation which is required by law in connection with employment by the city.
18. Falsification of time sheets or any official city records.
19. Misuse of sick leave.
20. Consuming, possessing, or being under the influence of an alcoholic beverage, while on duty.

21. Unless legally authorized, using, consuming, injecting, possessing, being under the influence of, selling or offering for sale, while on duty, any drug which can or does impair, the employee's work performance, or any controlled substance as the latter term is defined in the California Health and Safety code.
22. Discourteous or disrespectful treatment of the public, other employees, or city officials.
23. Violation of city harassment policy.
24. Persistent failure or refusal to take, complete, or follow through with appropriate and reasonable treatment or corrective measures designed to remedy an employee's condition, such as alcohol or substance abuse, when said condition results in conduct which constitutes grounds for discipline under these rules.
25. Engaging in outside employment in violation of city policies or rules.
26. Engaging in non-City business during work hours, excluding employee free time such as lunch and breaks.

Section 12.03 Types of Disciplinary Action

As used in this section, "disciplinary action" shall mean any of the following and may be taken singly or in combination:

- A. Counseling or Oral Warning. A counseling or oral warning will not be placed in an employee's personnel file except as part of a regular or special performance evaluation report of the employee on which the employee is given an opportunity to respond. A counseling or oral warning or a performance evaluation report is not subject to the appeal process outlined below.
- B. Written Reprimand. A written reprimand shall be provided to an employee prior to being placed in the employee's personnel file. Such reprimands shall not be subject to the appeal process outlined below, but the employee shall have the right of rebuttal by providing a written statement which will be included in the personnel file along with the written reprimand.
- C. Imposition of special employment conditions. Such action shall be subject to the appeal process outlined below.
- D. Suspension with or without pay. Fringe benefits such as vacation and sick leave shall not accrue during a period of suspension without pay. However, health, dental and life insurance shall remain in effect during a period of suspension without pay. Such action shall be subject to the appeal process outlined below.

- E. Reduction in pay level not to exceed one (1) year. Such action shall be subject to the appeal process outlined below.
- F. Demotion. Such action shall be subject to the appeal process outlined below.
- G. Dismissal or Discharge. Such action shall be subject to the appeal process outlined below.

Section 12.04 Notice of Intended Disciplinary Action

- A. In cases of proposed disciplinary action, except a counseling, oral warning, or written reprimand, the proposed disciplinary action shall be served on the employee personally or by mail. The written notice of intended disciplinary action which shall include:
 - 1. The reasons for the disciplinary action, those facts alleged to be the basis for the intended action and copies of any documents or materials upon which the disciplinary action is based;
 - 2. The specific action proposed to be taken, including any time period or other conditions associated with the discipline;
 - 3. The proposed effective date of the intended disciplinary action; and
 - 4. The right of the employee to respond to the proposed disciplinary action either in writing or orally, at the option of the employee. The employee shall be advised that he/she has ten (10) working days within which to file a written response or request, in writing, an informal pre-disciplinary conference before the disciplining authority or his/her designee.
- B. A copy of the notice of intended disciplinary action shall be placed in the employee's personnel file.

Section 12.05 Pre-disciplinary Conference

Where an employee has requested an opportunity to respond orally, the disciplining authority or his/her designee shall cause an informal pre-disciplinary conference to be held to review the statement of charges and to provide the opportunity for the employee or his/her representative to answer the charges. The disciplining authority or his/her designee shall allow the parties to present any relevant evidence tending to prove or disprove the facts upon which the action is based or upon the nature and severity of the proposed disciplinary action. Failure of the employee to appear at the pre-disciplinary conference, if requested, shall forfeit all the employee's right to respond to the statement of charges.

Section 12.06 Notice of Discipline or Rejection of Discipline

- A. If the employee does not respond or upon conclusion of the pre-disciplinary conference, the disciplining authority or his/her designee shall, by written notice to the employee and the supervisor, affirm, reduce or abandon the proposed disciplinary action.
- B. If the decision is to affirm or reduce the proposed disciplinary action, such action shall be served on the employee personally or by mail. The written notice of disciplinary action shall include:
 - 1. The reasons for the disciplinary action, those facts alleged to be the basis for the disciplinary action and copies of any documents or materials upon which the disciplinary action is based;
 - 2. The specific action proposed to be taken, including any time period or other conditions associated with the discipline;
 - 3. The effective date of the disciplinary action; and
 - 4. The right of the employee to appeal the disciplinary action. The employee shall be advised that he/she has ten (10) working days within which to file a written appeal of the disciplinary action.
- C. A copy of the notice of disciplinary action shall be placed in the employee's personnel file.
- D. If the notice is to abandon all action, the notice of intended disciplinary action shall be removed from all personnel files.

Section 12.07 Appeal of Disciplinary Action

An employee who has been discharged, demoted, reduced in salary, been made subject to specific employment conditions, or suspended without pay has the right to appeal to the City Manager the disciplinary action by filing a written notice of appeal within ten (10) working days from the date of the notice of discipline. The appeal must state specifically the reason or reasons upon which it is based. Failure to file within the time allowed constitutes abandonment of appeal rights. The evidentiary appeal shall be heard by a hearing officer who will serve as the City Manager's designee.

Section 12.08 Appeal

- A. The Personnel Officer shall be responsible for obtaining the hearing officer from JAMS (Judicial Arbitration and Mediation Services of California). The Personnel Officer shall ask JAMS to randomly provide the name of one retired judge who shall be impartial and who shall conduct the hearing on behalf of the City Manager. The

City shall pay for the services of the hearing officer.

- B. The Hearing Officer shall assume responsibility for scheduling and conducting the hearing in accordance with the provisions of Chapter 12. The hearing officer shall conduct the hearing and prepare a report that includes findings of fact and recommendation(s). The City Manager shall be bound by the findings of fact but reserves final authority on the recommendation(s) of the Hearing Officer. The decision of the City Manager shall be final unless appealed to the City Council.
- C. If the decision is to affirm or modify the disciplinary action, the decision shall be placed in the employee's personnel file. If the decision is to modify or reverse the disciplinary action, that action shall be implemented. If reversed, the notice of the intended disciplinary action and the notice of disciplinary action shall be removed from the employee's personnel file.

Section 12.09 Evidentiary Appeal Hearing Procedure

- A. The Hearing Officer shall provide the appellant and City with written notice of the date, time, and place of the hearing no less than ten (10) working days in advance of the scheduled hearing date. Any time lines contained in this section may be extended upon mutual agreement of the City and the appellant for good cause.
- B. The hearing shall be conducted in conformity with Sections 11512 through 11515, inclusive, of the Government Code. The hearing officer shall be deemed to be the administrative law judge in the proceeding.
- C. The hearing shall be closed to the public unless the appellant, prior to the commencement of the hearing, requests in writing that it be open to the public. The hearing shall be conducted in accordance with the provisions of Section 11513 of the Government Code which reads:
 - 1. Oral evidence shall be taken only on oath or affirmation.
 - 2. Each party shall have these rights: to call and examine witnesses; to introduce exhibits; to cross- examine opposing witnesses on any matter relevant to the issues even though that matter was not covered in the direct examination; to impeach any witness regardless of which party first called him or her to testify; and to rebut the evidence against him or her. If the appellant does not testify on appellant's own behalf, s/he may be called and examined as if under cross-examination.
 - 3. The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil

actions. Hearsay evidence may be used for the purpose of supplementing or explaining other evidence but shall not be sufficient in itself to support a finding unless it would be admissible over objection in a civil action. The rules of privilege shall be effective to the extent that they are otherwise required by statute to be recognized at the hearing, and irrelevant and unduly repetitious evidence shall be excluded.

- D. The appellant may be examined and may examine or cause any person to be examined under Section 776 of the Evidence Code. The appellant shall be allowed to appear personally at the hearing, and appellant shall have the right to legal counsel or lay representation of appellant's choice and sole expense at all times throughout the proceeding, and appellant shall be allowed to produce such competent evidence in his/her own defense and in rebuttal to the charges as the appellant or appellant's/her representative may wish to offer.
- E. The hearing shall be recorded by a stenographic reporter. If any transcript is ordered by the appellant or the City, the party ordering the transcript shall bear the cost of the transcription. If both the appellant and the City order transcriptions, the cost of the transcription, along with the cost of the reporter, shall be borne equally by the City and the appellant.
- F. The Hearing Officer shall have the power to subpoena and require the attendance of witnesses, and the production of books, papers, and other evidence pertinent to the hearing, and to administer oaths to witnesses. In arriving at a recommendation, the hearing officer may consider any prior disciplinary actions taken against the appellant, or any prior proceedings under this section.
- G. Unless the circumstances were beyond the control of the appellant, failure of the appellant to appear at the hearing shall be deemed a withdrawal of the appeal and the action of the department head in the notice of disciplinary action shall be final without right of appeal to the City Council. The participation of the appellant's representative at the hearing shall constitute appearance of the appellant.
- H. The City Manager shall review the hearing officer's report including the findings of fact and recommendation(s) and within thirty (30) days from the hearing officer's report issue his or her written decision affirming, reversing, or modifying the discipline which shall be final unless appealed to the City Council.
- I. An employee can appeal the City Manager's decision to the City Council by filing the written notice of appeal with the City Clerk within ten (10) working days from the date of the mailing of the City Manager's decision.
- J. Within ten (10) days after receipt of the appeal, the City Clerk shall give notice of the appeal to each member of the City Council, the City Manager, and other persons named or affected by the appeal and shall schedule a hearing before the City

Council.

- K. The hearing before the City Council shall be non-evidentiary in nature and shall be limited to oral arguments from both parties or their representatives. The City Council shall be bound by the findings of fact prepared by the hearing officer. Appellant and City shall each have 20 minutes of oral argument with an additional 5 minutes of rebuttal argument. The hearing before the City Council shall be closed to the public unless prior to the hearing the appellant requests in writing that the hearing be open to the public.
- L. The City Council shall deliberate in closed session and shall issue a decision which affirms, reverses, or modifies the discipline imposed by the City Manager.
- M. If the Council's decision is to affirm or modify the disciplinary action, the decision shall be placed in the employee's personnel file. If the decision is to modify or reverse the disciplinary action, that action shall be implemented. If reversed, the notice of the intended disciplinary action and the notice of disciplinary action shall be removed from the employee's personnel file.
- N. The decision of the City Council shall be final and subject to judicial review under Code of Civil Procedure 1094.5.

Section 12.10 Serving of Notices

Written notices shall be served either by direct personal service on the person affected, or by mail. Mailed notices to the City Manager or his/her designee, a Department Head, an appellant and/or his/her designee, or the City Council shall be effective upon recorded deposit with the United States Postal Service.

Section 12.11 Summary Suspension

Prior to any disciplinary proceedings under this section, the City Manager may summarily place any City employee on an immediate suspended status with or without pay. Such suspensions shall be made only in cases where the employee's continued active duty status might, in the sole opinion of the City Manager, constitute a hazard to the employee or others, tend to bring the City service into discredit, or prolong acts or omissions of improper employee conduct. If the disciplinary action or suspension is not subsequently ordered and/or affirmed, the employee shall be reinstated in status and restored all pay and fringe benefits lost during such summary suspension.

Section 12.12 Right to Representation

An employee subject to a meeting, an investigation that may result in disciplinary action, a pre-disciplinary conference or hearing has the right, upon request, to be represented by an employee representative or an attorney retained by the employee at the employee's expense. Any employee, other than those defined as management, mid-

management and confidential employees shall be permitted to represent another City employee or group of City employees.

Section 12.13 Records Purged

An employee's personnel file shall be purged of all documents relating to ordered disciplinary actions, except dismissal, after three (3) years from the end of such action upon the written request of the employee or former employee against whom the action was taken.