

October 31, 2022

VIA PERB PORTAL

Mr. Yaron Partovi
Senior Regional Attorney
Public Employment Relations Board
Los Angeles Regional Office
425 W. Broadway, Suite 400
Glendale, CA, 91204-1269

Re: *San Luis Obispo City Employees' Association (SLOCEA) v. City of San Luis Obispo (City), City's Response and Position Statement*
Unfair Practice Charge No. LA-CE-1602-M
Client-Matter: SA290/038

Dear Mr. Partovi:

Liebert, Cassidy, Whitmore ("LCW") represents the City of San Luis Obispo ("City") in the above-referenced Public Employment Relations Board ("PERB") Unfair Practice Charge Number LA-CE-1602-M ("Charge" or "SLOCEA UPC"), filed August 31, 2022. This letter and its accompanying exhibits constitute the City's response to the above-referenced Charge filed by San Luis Obispo City Employees' Association ("SLOCEA" or "Association").

This Position Statement shall not constitute a waiver of any objections or affirmative defenses that it may assert if a complaint issues in this matter. The City specifically reserves any jurisdictional or other objections or defenses that may be available.

INTRODUCTION

There are many quotes about good intentions, but one thing is clear: when one talks about a party's good intentions, the party's intentions have failed. The City began negotiations with SLOCEA with good faith intentions of providing the largest wage increases the City has proposed in recent history as quickly as possible. However, despite its desire to reach a multi-year agreement providing an average of 18.9% wage increases, less 3.0% retirement cost sharing, over three years, it must respond to SLOCEA's meritless accusations of bad faith bargaining. (Exhibit A, Declaration of Nickole Domini (hereinafter "Dec. N. Domini."))

The City matched its intentions with actions that illustrate the City's good faith negotiation goals. Specifically, the City proposed significant wage increases reflecting a

**Re: *San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City)*
*Unfair Practice Charge No. LA-CE-1602-M***

October 31, 2022

Page 2

generous market compensation study and Cost of Living Wage Adjustments (COLAs). This market compensation study was a contractual obligation of the City and was generated through intensive, iterative, and collaborative involvement of SLOCEA.

The City desired to address recruitment and retention concerns by providing a significant raise to employee base salaries, in a fiscally responsible and sustainable manner. The City attempted to start negotiations early and provided SLOCEA with all of its initial proposals at its first meeting. Regrettably, SLOCEA did not have the same goals. SLOCEA's negotiators have met the City's good faith actions with obstruction, delays, and silence. When the City attempted to come to the table early to negotiate, telling SLOCEA's negotiators that it wanted to give the City's employees a raise, SLOCEA's negotiators indicated they were not ready. Additionally, when the City informed SLOCEA's negotiators per the terms of the previous MOA that it wanted to begin negotiations on March 3, 2022, offering multiple dates that the City team was available to meet, the City was met with silence. In fact, it was not until twenty days later that SLOCEA broke its silence and agreed to meet on March 28, just three days before SLOCEA would have violated its contractual agreement to start negotiations in March.

The City came to the table intending to complete the negotiation well before the parties' agreement expired on July 1, 2022 in an effort to provide early and meaningful wage and benefit increases. At their first negotiation session, the City provided SLOCEA with a comprehensive set of proposals. However, SLOCEA then spent the next 43 days refusing to provide substantive counter proposals or responses but rather SLOCEA choose to argue over ground rules regarding confidentiality of negotiations. Then SLOCEA finally submitted counter proposals which were financially unrealistic and very far apart from the numbers the City was offering.

Following further negotiation sessions, on June 1, the City provided SLOCEA's negotiators with its Last, Best, and Final Offer (LBFO) which included two options for consideration. The City asked SLOCEA to have SLOCEA's members vote on the LBFO. SLOCEA again met the City's request with delays, obstruction, and no vote. Instead of voting, on July 6, 2022, SLOCEA chose to respond to the City's LBFO with a proposal that was nowhere near the City's proposals concerning term or compensation. After reviewing SLOCEA's response to the Last Best and Final Offer, the City reasonably believed that future negotiation sessions would be futile. As a result, the City had no choice but to declare an impasse.

Despite SLOCEA's blatant delay tactics and refusal to bargain in good faith, it is attempting to twist the City's good intentions and good faith efforts to provide significant wage increases as an unfair labor practice. SLOCEA's efforts are not supported by the evidence and this letter will illustrate that it cannot meet its prima facie burden.

**Re: *San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City)*
*Unfair Practice Charge No. LA-CE-1602-M***

October 31, 2022

Page 3

I. STATEMENT OF FACTS

Before negotiations began, according to the 2019-2022 SLOCEA Memorandum of Agreement (MOA), the City agreed to conduct a market benchmark compensation study. (Dec. N. Domini.) The City consulted with an advisory committee on the methodology of the benchmark compensation study and the draft of the compensation study report was shared with the advisory compensation committee in late 2021, and the final report of findings was shared with the committee on January 6, 2022. (Dec. N. Domini.) The advisory committee included representatives from SLOCEA and unrepresented management; notably, more than half of the SLOCEA bargaining team was on the advisory committee. (Dec. N. Domini.)

On February 3, 2022, the City contacted SLOCEA and requested to start negotiations early. (Dec. N. Domini.) On February 10, 2022, SLOCEA denied the City's request, responding that they were not prepared to start bargaining because they did not have enough time to review the compensation study results. (Dec. N. Domini.) This was surprising to the City because SLOCEA's bargaining team had access to the final compensation study report for over one month and more than half of the bargaining team was on the advisory committee for the report and had full access to information and updates at every stage of development. (Dec. N. Domini.)

On March 3, 2022, the City again reached out to SLOCEA and requested to start negotiations. (Dec. N. Domini.) SLOCEA did not formally respond. (Dec. N. Domini.) It took three more follow-up requests before SLOCEA formally responded on March 23 when they stated they were prepared to start negotiations. (Dec. N. Domini.)

The parties met on March 28, 2022 and the City offered a comprehensive set of initial proposals. (Dec. N. Domini; see Exhibit C "City's March 28, 2022 Offer", (hereinafter Exhibit C).) These proposals contained all matters the City wanted to negotiate, including implementing the City's compensation survey and additional COLA increases. (Exhibit C.) It was the City's goal to complete negotiations well before the expiration of the parties' agreement on July 1, 2022 in order to maximize implementation of the City's generous financial offers to the benefit of SLOCEA employees at the earliest possible date. (Dec. N. Domini.) However, it was not until the fourth negotiation session on May 10, 2022 (43 days later) that SLOCEA counteroffered the City's initial proposals. (Dec. N. Domini.) During these 43 days, SLOCEA provided no counterproposals or responses to the City's comprehensive proposal. (Dec. N. Domini.)

Following two additional negotiation sessions, the City provided its Last, Best, and Final Offer (LBFO) to SLOCEA on June 1, 2022. (Dec. N. Domini.) The City's LBFO contained the full authority provided by the City Council.

Mr. Aaron Parovis
Re: *San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City) Unfair Practice Charge No. LA-CE-1602-M*

October 31, 2022

Page 4

The City's LBFO is attached as Exhibit D and speaks for itself. (Dec. N. Domini; Exhibit D, "City's LBFO." (hereinafter Exhibit D.))¹ Again, the City provided its proposal in the hope that an agreement regarding the implementation of the salary survey and the wage increases could be reached prior to the expiration of the previous MOA. (Dec. N. Domini.) The City asked SLOCEA's negotiators to have the members vote on the LBFO. (Dec. N. Domini.) Instead of that vote, citing a month-long notice problem, SLOCEA proposed counter offers instead. SLOCEA indicated that their bylaws require specific noticing period and were allegedly unable schedule a general membership meeting within the month timeframe. (Dec. N. Domini.)

On July 6, 2022, SLOCEA offered a two-option counteroffer. (Dec. N. Domini.) The counteroffers are attached as exhibits and speak for themselves.² (See Exhibit E, "SLOCEA July 6, Counteroffer".) From reading the City's LBFO offers and SLOCEA's counteroffers, it is clear that the parties are far apart in terms of term duration, wages, and pension contribution. (Dec. N. Domini.) Therefore, despite the City's good faith efforts to reach an agreement, the City declared an impasse on July 6, 2022. (Dec. N. Domini.)

On July 7, 2022, Human Resources Director, and member of the City's negotiation team, Nickole Domini, published an email to all City employees. (See Attachment F, "SLOCEA Negotiations Update-7/7/2022 email".) The email was an attempt to educate employees about the labor negotiations process and inform them that impasse had been declared after SLOCEA rejected the City's LBFO. (Attachment F.) The email had a link to SharePoint where the parties' proposals were compared. (Attachment F.) On July 8, 2022, SLOCEA's legal counsel emailed the bargaining teams to inform the group that "SLOCEA's members unanimously voted to reject both the City's proposals included in its LBFO."

II. OBJECTIONS TO FALSE AND/OR MISLEADING ASSERTIONS IN SLOCEA'S STATEMENT OF FACTS

The City disputes and objects to the Charging Party's "Statement of Facts" because several allegations are false and/or misleading. In particular – but without waiving the right to contest the remainder of the SLOCEA's allegations, the City disputes the following false statements:

¹ Summary of the two LBFO Options provided by the City on June 1, 2022 for three-year successor agreements. **City LBFO Option 1:** (a) equity adjustments averaging 9.2% (by classification) starting upon Council adoption; (b) COLA increases of 1.5% upon Council adoption, 3% in July 2023, and 3% in July 2024, but (c) employees paying 3.0% of City's CalPERS obligation in July 2022. **City LBFO Option 2:** (a) equity adjustments averaging 8.7% (by classification) with 75% of the market equity adjustments taking place upon Council adoption and the remaining 25% in July 2023, and (b) COLA increase of 1.5% in July 2023 and 2% in July 2024.

² SLOCEA's own words as summary, **SLOCEA Proposal 3A** is a one-year contract with: (a) equity adjustments averaging 9.2% (by classification) being implemented in July 2022, and (b) 1.5% COLA increase in July 2022. **SLOCEA Proposal 3B** is a two-year contract with: (a) equity adjustments averaging 9.2% (by classification) being implemented in phases, up to 8.25% in July 2022 and the remainder in July 2023; (b) 1.5% COLA increase in July 2022; and 3.0% COLA increase in July 2023.

Mr. Yoon Parov
Re: *San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City) Unfair Practice Charge No. LA-CE-1602-M*

October 31, 2022

Page 5

1. **SLOCEA's assertion:** On February 10, 2022, the Association stated that they declined to start negotiations early as they were still analyzing the compensation study, which had only been presented to City employees hours earlier. (SLOCEA UPC p. 5.)

Fact: On January 6, 2022 (35 days prior to February 10, 2022), the City shared the final compensation study report with the benchmark advisory committee, which made up more than half of the SLOCEA negotiating team, including SLOCEA's chief negotiator, SLOCEA's president, and SLOCEA's current vice president. (Dec. N. Domini.)

2. **SLOCEA's assertion:** The Association said that in February 2022, the City appropriated funds to implement equity adjustments for the City's Management and Confidential units. SLOCEA falsely said that the SLOCEA president requested for Ms. Domini to share the details of the increases approved by the City Council multiple times and that the City never followed through on its agreement to share the recommended market equity adjustments for the unrepresented groups prior to the information being made generally to the public. (SLOCEA UPC p. 5.)

Fact: In February 2022, the City appropriated funds to implement the market equity adjustments for SLOCEA and the Unrepresented Management and Confidential groups, hence the desire to begin negotiations early with SLOCEA. Ms. Domini had several discussions with the SLOCEA President and shared the proposed increases for the unrepresented groups to the SLOCEA president in mid-March 2022, *prior* to sharing the proposed increases with the unrepresented groups. (Dec. N. Domini.)

3. **SLOCEA's assertion:** The Association believes the City wanted to start negotiations early to reach agreement prior to public announcement of the Unrepresented Management/Confidential unit adjustments. (SLOCEA UPC p. 5.)

Fact: The City wanted to start negotiations early to give their employees well-deserved market and policy grounded raises and facilitate hiring new employees with a competitive salary structure easier. (Dec. N. Domini.) On February 7, 2022, the City received economic authority and direction from the City Council in Closed Session to begin negotiations with SLOCEA and have conversations with the Unrepresented Management and Confidential groups. As such, the City worked in parallel to reach agreement with SLOCEA and the unrepresented groups.

4. **SLOCEA's assertion:** The City falsely claimed that it had a free speech right under the U.S., and California Constitutions that it could not waive by agreeing to ground rules that prevented it from sharing proposals with the public during negotiations. (SLOCEA UPC p. 7.)

**Re: San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City)
Unfair Practice Charge No. LA-CE-1602-M**

October 31, 2022

Page 6

Fact: The City has a limited free speech right. While the MMBA does not contain the express guarantees of the right to free non-coercive speech, the NLRA does. (*Stationary Engineers Local 39 v. City of Fresno* (2006) PERB Decision No. 1841 (citing *Rio Hondo Community College District* (1980) PERB Decision No. 128.)) PERB decisions and case law have stated that it is “unreasonable to assume that the Legislature intended to restrict a public agency from disseminating its views regarding the employment relationship once an employee organization appeared on the scene.” (Ibid.) Therefore, it is appropriate to infer that free, non-coercive speech rights exist under the MMBA. (Ibid.)

5. **SLOCEA’s assertion:** On April 19, 2022, the City submitted a Council Agenda Report ("CAR") to the City Council asking them to approve a resolution calling for compensation increases for the Management and Confidential units averaging 11.74%, these increases were based, in part, on the results of the compensation study. The resolution governing these units' compensation was set to expire on June 30, 2022. But, the City asked that the increases be applied retroactive to April 14, 2022. The City Council approved the resolution, and the increases were implemented retroactively. This was not in conformity with the City's Compensation Philosophy. (SLOCEA UPC p. 8.)

Fact: SLOCEA’s assertion is not accurate as no retroactivity was provided. Rather, the increases went into effect at the start of the pay period (April 14, 2022) of Council adoption (April 19, 2022), which is aligned with Council adopted Labor Relations Objectives. The City’s Compensation Philosophy does not reference retroactivity as claimed by SLOCEA, rather it emphasizes the City’s commitment to providing competitive compensation as part of an overall strategy of attracting and retaining well qualified employees. As such, the successor resolutions for unrepresented groups adopted by Council in April 2022, are in alignment with the City’s Compensation Philosophy. (Dec. N. Domini.)

6. **SLOCEA’s assertion:** On May 24, 2022, the City indicated that the City’s LBFO would not be imposed following the conclusion of any impasse procedures. (SLOCEA UPC p. 10.)

Fact: The City had not even presented its LBFO to SLOCEA on May 24, 2022. The City’s chief negotiator rather educated the SLOCEA bargaining team that if the parties were unable to reach agreement and exhausted the impasse procedures, that the City Council has authority to do nothing or impose the first year of its LBFO without retirement cost sharing. (Declaration of Che Johnson.)

7. **SLOCEA’s assertion:** Relegating SLOCEA members to salary purgatory indefinitely for refusing to agree to Retirement Cost-Shifting is more than hard bargaining; it is a bad faith tactic that has completely broken down negotiations and prevented the Parties from reaching an element on a successor MOU. (SLOCEA UPC p. 10.)

Re: San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City) Unfair Practice Charge No. LA-CE-1602-M

October 31, 2022

Page 7

Fact: This is an opinion unsupported by the facts or the law. Case law says it is often difficult to distinguish between lawful hard bargaining versus bad faith adherence to an inflexible position. (*County of Riverside* (2014) PERB Decision No. 2360-M, p. 13 (*Riverside*) [noting the fine line between an impasse due to lawful hard bargaining and one that results from unlawful bad faith].) A party exhibits bad faith if it fails to explain its inflexible position adequately. (*County of San Luis Obispo* (2015) PERB Decision No. 2427-M, p. 29; *San Bernardino City Unified School District* (1998) PERB Decision No. 1270, adopting proposed decision at pp. 85-86.) However, if a party's inflexible position is fairly maintained and rationally supported, such facts do not amount to bad faith, absent other evidence. (*Oakland Unified School District* (1982) PERB Decision No. 275, p. 16.)

The City has been flexible and has an adequate explanation for its positions. The City has made multiple offers with no CalPERS cost-sharing options. (Dec. N. Domini; *see also* SLOCEA p. 10.) The City was not inflexible and made a serious attempt to reach common ground. (Dec. N. Domini.) Furthermore, the City has an adequate explanation for wanting cost sharing to help balance the City's long-term forecast and pay down its pension liabilities in alignment with Council adopted Labor Relations Objectives and Fiscal Health Response Plan and consistent with cost sharing participation by every other represented and unrepresented employee group. (Dec. N. Domini.)

8. **SLOCEA's assertion:** The City asked SLOCEA to take its LBFO to a vote of its general membership. SLOCEA agreed, but indicated that it took time to provide sufficient notice and arrange for the vote. (SLOCEA UPC p. 11.)

Fact: On June 1, 2022, the City asked SLOCEA negotiators to take the City's LBFO to its membership. (Dec. N. Domini; SLOCEA UPC p. 10.) On June 14, 2022, SLOCEA members met but did not vote because "no official vote was taken as the notice provisions had not been satisfied." (SLOCEA UPC p. 10.) On July 6, 2022, SLOCEA members had still not voted on the City's LBFO. (SLOCEA UPC p. 10) It is very unlikely that SLOCEA's notice provisions require over a month's notice to call a vote. It is very likely SLOCEA purposely delayed their vote and was surface bargaining.

9. **SLOCEA's assertion:** The City declared impasse even though: (a) it knew SLOCEA would have a general membership meeting on July 7, 2022, where the City's LBFO was scheduled to be put to a vote; (b) it knew SLOCEA's Board and membership were not yet acquainted with SLOCEA's third proposal; and (c) it did not know the cost of SLOCEA's third proposal. (SLOCEA UPC p. 11.)

Fact: SLOCEA rejected the City's LBFO when they made the counteroffer. (Dec. N. Domini.) They did not ask for the counteroffer to remain on the table for a vote the next day. (Dec. N. Domini.) The City had waited over a month for SLOCEA to vote on the

Mr. Yarbrough
**Re: San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City)
Unfair Practice Charge No. LA-CE-1602-M**

October 31, 2022

Page 8

City's LBFO. (Dec. N. Domini.) Furthermore, how would the City know that SLOCEA's negotiators made an offer that their own membership was not acquainted with?

The City knew the cost of SLOCEA's third proposal. (Dec. N. Domini.) Computer programs can quickly calculate the cost of a percentage increase in wages. (Dec. N. Domini.) Furthermore, the two options in SLOCEA's third proposal were under three years, and the City had made clear throughout negotiations that they wanted a three-year offer. (Dec. N. Domini.)

10. **SLOCEA assertion:** The City's rush to declare impasse indicates the City's surface bargaining. (SLOCEA UPC p. 11.)

Fact: This is not a fact but an opinion unsupported by fact or law. This will be addressed more fully in the arguments below. (*See infra* (III)(C)(6).)

11. **SLOCEA assertion:** The City's SharePoint page contained false or misleading statements/information aimed at undermining SLOCEA and unreasonably influencing the scheduled vote on the City's LBFO. One of the alleged statements were that SLOCEA had not responded to the City's LBFO (*objectively false*). (SLOCEA UPC p. 12.)

Fact: A reasonable person would have to determine that the statement was false for something to be objectively false. It is undisputed that SLOCEA, for over a month, from May 24, 2022 to July 6, 2022, did not officially vote on or reject the City's LBFO. (SLOCEA UPC p. 11.) Instead, SLOCEA chose to have another meeting with the City rather than formally voting on the LBFO and then claimed it took over a month for SLOCEA to notice its members to vote on the LBFO. (SLOCEA UPC p. 11.) When the documents were posted on July 6, 2022, after the City declared impasse, SLOCEA had not voted on the City's LBFO, even though SLOCEA's negotiators assured the association would vote on the LBFO. (SLOCEA UPC p. 11.) SLOCEA had failed to respond.

12. **SLOCEA assertion:** The City's SharePoint page contained false or misleading statements/information aimed at undermining SLOCEA and unreasonably influencing the scheduled vote on the City's LBFO. One of the alleged statements was that SLOCEA delayed negotiating (*objectively false*). (SLOCEA UPC p. 12.)

Fact: The City asked SLOCEA to negotiate on February 3, 2022. (SLOCEA UPC p. 6.) While it is true that SLOCEA had no contractual obligation to negotiate, they did decline to start negotiations claiming they were still analyzing the compensation study. (SLOCEA UPC p. 11.) This was surprising since SLOCEA members had access to the study for several months. (Dec. N. Domini.) On March 3, 2022, the City emailed SLOCEA asking to start negotiations with several possible dates. (SLOCEA UPC p. 6.)

**Re: San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City)
Unfair Practice Charge No. LA-CE-1602-M**

October 31, 2022

Page 9

SLOCEA “did not immediately respond to City’s request.” (SLOCEA UPC p. 6.) On March 14 and March 19, the City sent follow-up emails asking to start negotiations. (SLOCEA UPC p. 6.) Only after a fourth request to start negotiations did SLOCEA agree to meet with the City’s negotiators on March 28, 2022. (SLOCEA UPC p. 6.) The meeting on March 28, 2022, was 53 days after the City asked to start negotiations and 25 days after the City served notice on SLOCEA within the contract period. (SLOCEA UPC p. 6.) Based on SLOCEA’s statement of facts, it is undisputed that SLOCEA delayed negotiating, even if they were legally within their right to do so.

13. **SLOCEA assertion:** The City’s SharePoint page contained false or misleading statements/information aimed at undermining SLOCEA and unreasonably influencing the scheduled vote on the City’s LBFO. One of the alleged statements was that SLOCEA failed to timely respond to proposals made by the City in March and April 2022 (*objectively false*). (SLOCEA UPC p. 12.)

Fact: SLOCEA, in their pleadings, presented evidence they failed to respond to City’s proposals. SLOCEA, according to its own statement of facts neither rejected the City’s first proposal nor presented a counterproposal from March 28 to May 10, 2022. (SLOCEA UPC p. 7.) On March 28, 2022, the City presented a “comprehensive proposal including 23 issues...” (SLOCEA UPC p. 7.) On April 14, 2022, SLOCEA made no counteroffer; instead, the parties discussed ground rules proposals and SLOCEA’s continued lack of appetite for Retirement Cost shifting. (SLOCEA UPC p. 8.) On April 25, 2022, the City made a presentation on ‘Retirement Cost-shifting,’ and there was further discussion on ground rules. (SLOCEA UPC p. 8.) “On May 10th, 2022, SLOCEA countered with its first proposal.” (SLOCEA UPC p. 9.) Failing to respond to an offer for 43 days is not timely.

14. **SLOCEA assertion:** The City’s SharePoint page contained false or misleading statements/information aimed at undermining SLOCEA and unreasonably influencing the scheduled vote on the City’s LBFO. One of the alleged statements was that the City’s LBFO had an average salary increase of 13.7 percent over a three-year term (*misleading*). (SLOCEA UPC p. 12.)

Fact: SLOCEA, in its Complaint, states that the City’s statement is misleading. However, again, SLOCEA offers no specific facts to support its assertion. (SLOCEA UPC p. 9.) The City’s statement is not misleading. (SLOCEA UPC p. 9.) The City’s LBFO – Option 1 and Option 2 speak for themselves. A true and correct copy of option 1 of the City’s LBFO is attached as Exhibit D. A true and correct copy of option 2 of the City’s LBFO is attached as Exhibit D.

15. **SLOCEA assertion:** The City’s SharePoint page contained false or misleading statements/information aimed at undermining SLOCEA and unreasonably influencing the

Re: San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City) Unfair Practice Charge No. LA-CE-1602-M

October 31, 2022

Page 10

scheduled vote on the City's LBFO. One of the alleged statements was that the City's LBFO — Option 1 would result in an average net salary increase of 14.36% (*misleading*). (SLOCEA UPC p. 12.)

Fact: SLOCEA, in its Complaint, states that the City's statement is misleading. However, again, SLOCEA offers no specific facts to support its assertion. (SLOCEA UPC p. 9.) The City's statement is not misleading. The City's LBFO – Option 1 speaks for itself. A true and correct copy of Option 1 of the City's LBFO is attached as Exhibit D.

16. **SLOCEA assertion:** The City's SharePoint page contained false or misleading statements/information aimed at undermining SLOCEA and unreasonably influencing the scheduled vote on the City's LBFO. One of the alleged statements was that the City's LBFO — Option 2 would result in an average net salary increase of 12.81% (*misleading*). (SLOCEA UPC p. 12.)

Fact: SLOCEA, in its Complaint, states that the City's statement is misleading. However, again, SLOCEA offers no specific facts to support its assertion. (SLOCEA UPC p. 9.) The City's statement is not misleading. The City's LBFO – Option 2 speaks for itself. A true and correct copy of option 2 of the City's LBFO is attached as Exhibit D.

17. **SLOCEA assertion:** The City's SharePoint page contained false or misleading statements/information aimed at undermining SLOCEA and unreasonably influencing the scheduled vote on the City's LBFO. One of the alleged statements was that Management and Confidential units' equity adjustments went into effect May 5, 2022. (*objectively false*). (SLOCEA UPC p. 12.)

Fact: The City's Unrepresented Management and Confidential groups received market equity adjustments that went into effect the pay period that started on April 14, 2022 (SLOCEA UPC p. 8). The pay period covering April 14, 2022 to April 27, 2022 had a payday of May 5, 2022.

18. **SLOCEA assertion:** The City's SharePoint page contained false or misleading statements/information aimed at undermining SLOCEA and unreasonably influencing the scheduled vote on the City's LBFO. One of the alleged statements was that Retirement Cost Shifting is in alignment with the rest of the City's represented and unrepresented groups (*misleading*). (SLOCEA UPC p. 12.)

Fact: SLOCEA in its Complaint, fails to provide any facts supporting its opinion that the City's statement that "Retirement Cost Shifting is in alignment with the rest of the City's represented and unrepresented" is misleading. Interestingly, SLOCEA's Complaint is also silent to the fact that SLOCEA is the only bargaining unit that does not cost share. (Dec. N. Domini.) The other bargaining units agreed to three (3%) percent retirement cost

Re: *San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City)*
Unfair Practice Charge No. LA-CE-1602-M

October 31, 2022

Page 11

sharing in 2019 and 2020, as documented in their MOUs and Resolutions found on the City's website and in alignment with City's Fiscal Health Response Plan and Labor Relations Objectives. (Dec. N. Domini.)

III. LEGAL ARGUMENT

A. **SLOCEA FAILS TO MEET ITS BURDEN AND PROVE A PRIMA FACIE CASE THAT THE CITY HAS COMMITTED AN UNFAIR LABOR PRACTICE BECAUSE SLOCEA HAS FAILED TO PLEAD FACTS NECESSARY TO SUPPORT ITS CASE.**

It is the charging party's burden to establish a *prima facie* case of any unfair labor practice. To state a *prima facie* unfair labor practice, PERB precedent and regulations require that the charging party provide facts, not legal conclusions. Under PERB Regulation 32615(a)(5), a charge must contain a "clear and concise statement of the facts and conduct alleged to constitute an unfair practice." In *Santa Ana Unified School District*, PERB reiterated that to establish a *prima facie* case for an unfair labor practice, the charge must state the "who, what, when, where and how" of an unfair practice. (*Santa Ana Unified School District* (2002) PERB Dec. No. 1495.) Mere legal conclusions are insufficient to state a *prima facie* case. (*Id.*)

B. **SLOCEA FAILS TO MEET ITS BURDEN TO SHOW THAT THE CITY WAS DIRECT DEALING BECAUSE THE SPECIFIC FACTS (WHO, WHAT, WHERE, WHEN & HOW) SLOCEA PLEADS IN ITS COMPLAINT DO NOT PROVIDE EVIDENCE OF DIRECT DEALING.**

SLOCEA argues that the City released documents with false and misleading statements to confuse its members purposely. However, the City acted lawfully in publishing the documents because they did not coerce, threaten, or give information not previously available to the SLOCEA negotiators. Furthermore, SLOCEA pled just bare opinion unsupported by any facts that the statements were false or misleading.

Generally, an employer may communicate with employees about the subject of bargaining when certain conditions are met. "Where an employer accurately describes an event and does not on its face carry the threat of reprisal or force, or promise of benefit, the Board will not find the speech unlawful." (*Chula Vista City School Dist.* (1990) PERB Dec. 834.) However, the employer's communications are not only evaluated based on what they say, they are examined "in light of the impact that such communication had or was likely to have on the reader." (*Rio Hondo Comm. College Dist.* (1980) PERB Dec. 128, p. 20.) "The touchstone for determining the propriety of an employer's direct communication with employees is the effect on the authority of the exclusive representative." (*California State University* (1989) PERB Dec. 777-H, p. 9 (*citing Muroc Unified School Dist.* (1978) PERB Dec. 80).) Even if the statements are untrue, it does not mean that it is an impermissible direct deal if there is no threat of reprisal, or force, or promise of benefit. (*Charter Oak USD* (1991) PERB Decision No. 873.)

Re: *San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City) Unfair Practice Charge No. LA-CE-1602-M*

October 31, 2022

Page 12

The determination if an employer's speech is protected; or if the speech constitutes a proscribed threat or new promise is determined by an objective rather than a subjective standard. (*Stationary Engineers Local 39 v. City of Fresno* (2006) PERB Decision No. 1841; *California State University* (1989) PERB Decision No. 777H.) For example, a letter discussing the negotiations between a City and Union that did not indicate a new proposal that had not been offered to Union or indicate that City was asking for a response from the employees is not direct dealing. (*Id.*)

SLOCEA at no time states the statements were coercive or a threat or presented new promises the association had not heard in their factual pleadings. SLOCEA pleads that the communications to SLOCEA members contained "false or misleading statements/information aimed at undermining SLOCEA and unreasonably influencing the scheduled vote..." (SLOCEA UPC p. 12.) SLOCEA states that the City's "communications confused SLOCEA members and SLOCEA had to spend a considerable portion of its July 7th, 2022, membership meeting correcting the City's misinformation..." (SLOCEA UPC p. 12.) SLOCEA presents a list of eight statements made by the City that in SLOCEA's opinion are "objectively false or misleading." However, SLOCEA fails to offer any specific facts as to how, what, when, where and why the statements by the City were misleading or objectively false. (*See* SLOCEA UPC p. 12.) Pleading an opinion that a statement is objectively false or misleading and providing no factual context is the classic example of failing to state a claim.

As discussed above, most of the statements that SLOCEA claims are false, SLOCEA proves true in their pleadings. (*See infra* (II)(7-14).)

First, SLOCEA claims it was objectively false that SLOCEA had not responded to the City's LBFO. (SLOCEA UPC p. 12.) However, SLOCEA's statement of facts states that SLOCEA did not hold a vote on the LBFO or tell the City it rejected the LBFO from June 1 to July 6, a period of 35 days. (SLOCEA p. 11.)

Second, SLOCEA claims that it was objectively false that SLOCEA delayed negotiations. (SLOCEA UPC p. 12.) Again, SLOCEA's statement of facts states that SLOCEA delayed negotiations from February 3 to March 3 when SLOCEA was under no obligation to start negotiations. (SLOCEA UPC p. 6.) And the pleading shows SLOCEA delayed scheduling a meeting from March 3 to March 28, 2022. (SLOCEA UPC p. 12.) All of the facts pled by SLOCEA prove that the statement was true and that SLOCEA is failing to meet its burden.

The third statement, SLOCEA claims that it was objectively false that it failed to timely respond to proposals made by the City in March and April 2022. (SLOCEA UPC p. 12.) However, SLOCEA's statement of facts shows that SLOCEA received the City's first offer on March 28, 2022, and did not counteroffer for four meetings and finally counteroffered on May 11th. (SLOCEA UPC p 7.) This was untimely conduct by SLOCEA, but more importantly, SLOCEA again fails to present any facts to show why this was not considered untimely.

Re: *San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City) Unfair Practice Charge No. LA-CE-1602-M*

October 31, 2022

Page 13

The fourth, fifth, and sixth statements regarding the City's LBFO, SLOCEA states that the statements are "misleading" but provides no factual support or even an explanation of how they are misleading (SLOCEA UPC p. 12.). As explained above, the City's LBFO documents speak for themselves. True and accurate copies are attached as exhibits.

SLOCEA says that the City's statement that Management and Confidential units' equity adjustment went into effect on May 5, 2022 was objectively false (SLOCEA UPC p. 12.). This is correct. As stated above, the City's Unrepresented Management and Confidential groups received market equity adjustments that went into effect the pay period that started on April 14, 2022 (SLOCEA UPC p. 8). The pay period covering April 14, 2022 to April 27, 2022 had a payday of May 5, 2022.

Lastly, SLOCEA claims that the City's statement that "Retirement Cost-Shifting is in alignment with the rest of the City's represented and unrepresented groups" (*misleading*) (SLOCEA UPC p. 12.). SLOCEA again offers no facts to show how this is misleading. SLOCEA does not even provide more context or explanation why the statement is misleading. The only time SLOCEA talks about "Retirement Cost-Shifting" in other units is SLOCEA's statement that "Several of the city's bargaining units have accepted similar CalPERS cost-shifting proposals, and the City wants SLOCEA to do the same." (SLOCEA UPC p. 3.) This statement supports the City's position on cost sharing. Furthermore, SLOCEA is the only bargaining unit not to have accepted cost sharing. (Dec. N. Domini.) All bargaining groups at the City, except SLOCEA, agreed to a three (3%) percent retirement cost-sharing in 2019 and 2020 in alignment with the City's Fiscal Health Response Plan and Labor Relations Objectives. Therefore, the statement is not misleading.

In conclusion, the City had the right to post the statements on its internal website for employees, including SLOCEA members, to read. Moreover, the statements were not coercive, threatening or proposed new information. (Dec. N. Domini.) Furthermore, SLOCEA has failed to meet its burden and show that the statements were false and misleading. Therefore, SLOCEA has failed to meet its prime facie case that this was direct dealing.

C. SLOCEA FAILS TO MEET ITS BURDEN TO SHOW THAT THE CITY BARGAINED IN BAD FAITH BECAUSE IT FAILED TO PLEAD SPECIFIC FACTS THAT SUPPORT ITS ACCUSATIONS.

Even using SLOCEA's cherry-picked facts, SLOCEA failed to meet its burden of proving the City's bad-faith negotiations. SLOCEA's argument for bad faith negotiation is based on six specific allegations it says proves under the *totality of the circumstances* that the City acted in bad faith. However, the specific facts SLOCEA has pled show there was no bad faith by the City and declarations contained herein contravene any and all SLOCEA arguments.

Bargaining in good faith is a "subjective attitude and requires a genuine desire to reach an agreement." (*Placentia Fire Fighters v. City of Placentia* (1976) 57 Cal.App.3d 9, 25.) Adamant

Re: *San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City) Unfair Practice Charge No. LA-CE-1602-M*

October 31, 2022

Page 14

insistence on a bargaining position is not necessarily a refusal to bargain in good faith. (*Oakland Unified School District*, PERB Decision 275.) The employer should have a rational basis for their position. (*NLRB v. Herman Sausage Co.* (1960 5th Cir.) 275 F.2d 229.) PERB has held it is the essence of surface bargaining that a party goes through the motions of negotiations but in fact is weaving otherwise unobjectionable conduct into an entangling fabric to delay or prevent agreement. When there is an accusation of surface bargaining, PERB will resolve the question of good faith by analyzing the totality of the accused party's conduct. (*Engineers Local 39 v. City of Fresno* (2006) PERB Decision No. 1841.) A take it or leave it attitude is evidence of surfacing bargaining because it goes through the motions. (*General Electric Co.* (1964) 150 NLREB 192, 194.) Resistance to scheduling meetings, canceling meetings, and failing to prepare for meetings is evidence of bad faith. (*Oakland Unified School District* (1983) PERB decision No 326.)

1. **SLOCEA claims the City foreclosed retroactive pay raises to SLOCEA members due to non-existent delays by SLOCEA to start bargaining; however, the law shows that the City has no obligation to negotiate retroactive pay raises.**

First, there is no duty for an employer to pay employees retroactively. The law is clear that retroactive pay is not a mandatory bargaining rule. Therefore, the City does not have to negotiate retroactively. Second, the City did not retaliate or threaten but rather reminded SLOCEA after 20 days of silence that City does not retroactively pay pursuant to Council adopted Labor Relations Objectives. These Labor Relations Objectives have been shared with SLOCEA over the years since their adoption. (Dec. N. Domini.)

The City's policy has historically been not to retroactively pay employees beyond the pay period the agreement is signed in. (Dec. N. Domini.) As SLOCEA notes in its facts, the City sent the following email on March 22, 2022, after hearing no formal response from SLOCEA for 19 days, stating "[t]his email serves as the fourth attempt to schedule dates for negotiations. The City hopes to put into effect terms and conditions that will benefit the SLOCEA bargaining unit; however, we will not be able to provide any retroactivity due to SLOCEA's delay in scheduling a meeting date." (SLOCEA UPC p. 6.)

Second, as noted above, SLOCEA's statement of facts admits there were delays in starting negotiations. If we ignore the delay period from February 3 to March 3, 2022, when SLOCEA was not contractually obligated to begin negotiating and decided not to negotiate early, SLOCEA still delayed as long as possible before negotiating. (SLOCEA UPC p. 5.) On March 3, 2022, the City emailed SLOCEA asking to start negotiations with several possible dates. (SLOCEA UPC p. 6.) SLOCEA "did not immediately respond to City's request." (SLOCEA UPC p. 6.) On March 14 and March 19, the City sent follow-up emails asking to start negotiations. (SLOCEA UPC p. 6.) Only after a fourth request to start negotiations did SLOCEA agree to meet with City on March 28, 2022. (SLOCEA UPC p. 6.) The meeting on March 28, 2022, was 25 days after the City asked SLOCEA within the contract period to negotiate. Based on SLOCEA's pleadings, it is undisputed that there were delays. (SLOCEA UPC p. 6.)

Re: *San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City)*
Unfair Practice Charge No. LA-CE-1602-M

October 31, 2022

Page 15

Nothing in SLOCEA's factual statement provides specific facts to prove SLOCEA's statement "that the City sought to punish SLOCEA for refusing to negotiate on City's earlier timeline." According to SLOCEA facts, the City first mentioned retroactivity on March 24th. If the City was seeking to punish SLOCEA for not starting negotiations in February, the City would have made the statement in February. Again, SLOCEA offers opinion and calls it fact.

SLOCEA fails to present a prima facie case that this is bad faith bargaining. The City is not required to bargain on retroactive wage increases and elected not to do so. The City provided an adequate explanation why they were not bargaining, that SLOCEA created delays. SLOCEA's pleading supports the fact that SLOCEA delayed starting proceedings for 25 days and did not formally reply to City's request for 19 days. (SLOCEA UPC p. 6.)

2. **SLOCEA's claim that "The City Position on the Ground Rules Was Unjustifiably and Maliciously Intractable" is not an unfair labor practice because the City negotiated on the ground rules, provided an adequate reason for their position on the ground rules, and during and after the negotiations for the ground rules continued to try and negotiate on other issues.**

The City was neither unjust nor malicious. It is often difficult to distinguish between lawful hard bargaining versus bad faith adherence to an inflexible position. (*Riverside, supra*, PERB Decision No. 2360-M, p. 13 [noting the fine line between an impasse due to lawful hard bargaining and one that results from unlawful bad faith].) A party exhibits bad faith if it fails to explain its inflexible position adequately. (*County of San Luis Obispo* (2015) PERB Decision No. 2427-M, p. 29; *San Bernardino City Unified School District* (1998) PERB Decision No. 1270, adopting proposed decision at pp. 85-86.) However, if a party's inflexible position is fairly maintained and rationally supported, such facts do not amount to bad faith, absent other evidence. (*Oakland Unified School District* (1982) PERB Decision No. 275, p. 16.)

SLOCEA misstates the law and fails to provide specific facts to support its claim that the City was acting in bad faith in adherence to an inflexible position. Ground rules have long been considered a mandatory subject for bargaining. (*Orange County Employees Association et al. v. County of Orange* (2018) PERB Decision No. 2598 (*Orange*) p.14.) However, each party must negotiate in good faith at the other party's request, but there is a default rule in the absence of agreement. (*Id.*)

SLOCEA fails to make a prima facie case that the City's position on ground rules was an unfair labor practice. The City's and SLOCEA's disagreement on ground rules was regarding the ability to publicly disclose negotiation proposals. (SLOCEA UPC p. 14.) The City told SLOCEA it wanted to post the parties' proposals on the City's website during negotiations. (SLOCEA UPC p. 7.) The City gave an adequate reason for wanting the proposals to be public when it said that posting the proposals was necessary to address recruitment and retention problems. (SLOCEA

Re: *San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City) Unfair Practice Charge No. LA-CE-1602-M*

October 31, 2022

Page 16

UPC p. 7.) SLOCEA does not present any facts to show that the City's reasons were inadequate and the City referenced anticipated increases in recruitment materials.

- a. **Rather than plead facts, SLOCEA misstates the law in an attempt to prove the City was committing an unfair labor practice. However, the law supports the City's actions that they can publish negotiation documents.**

SLOCEA misstates the law to imply that the default rule and law is that the City cannot publish proposals. SLOCEA cites easily distinguishable cases and opinions. For example, *Gerwan Farming Inc v. Agricultural Labor Relations Bd.* (2019) 40 Cal.App.5th 241, 265; is a case regarding the right of the public to attend on the record mandatory mediation and conciliation meetings, not the right of a party to publish negotiation proposals. (SLOCEA UPC p. 7.) Furthermore, the Court in *Gerwan Farming* was not "expressing distaste for public disclosure of bargaining positions." (*Ibid.*) Instead, it was addressing the problems with employees attending bargaining sessions. (*Ibid.*) Similarly, the California Attorney General Opinion, 61 Cal. Atty. Gen 1; is regarding open meetings, not the publication of documents. (SLOCEA UPC p. 7.) *Michaelis, Montanari & Johnson v. Superior Court* (2006) 38 Cal.4th 1065, addresses third public records request regarding negotiations, not what a party wants to disclose. (SLOCEA UPC p. 7.)

Lastly, SLOCEA takes the *Orange* case out of context. The *Orange* case addressed a County's adoption of an ordinance that unilaterally sets ground rules terms, including mandating that all offers, and counteroffers be made public within 24 hours. (*Orange, supra*, p. 4.) PERB found it problematic that the County unilaterally imposed the ground rules instead of negotiation and that having to tell the public within 24 hours created the same problems as inviting the public into negotiations absent an agreement. (*Id.* At 30.) However, PERB said, "nothing in our holding prevents a party from reporting to the public what occurs in negotiations if there is no applicable confidentiality agreement." (*Ibid.*)

Finally, inapposite of SLOCEA's reading of the law, and as discussed previously, employers do have a limited First Amendment right accorded by PERB under the MMBA. (See *infra* III(2) citing *Stationary Engineers Local 39 v. City of Fresno* (2006) PERB Decision No. (2006) PERB Decision No. 1841-M.)

Therefore, the law shows that the City did not act unlawfully. Moreover, SLOCEA has failed to plead any specific facts to show that the City was bargaining in bad faith rather than hard bargaining; SLOCEA has failed to make a prima facie case to show that the City acted unlawfully when it refused to negotiate a confidentiality agreement.

Re: *San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City) Unfair Practice Charge No. LA-CE-1602-M*

October 31, 2022

Page 17

3. **SLOCEA fails to present specific facts that show “the City Took Inconsistent Positions on the Immediacy of Equity Adjustments” and rather SLOCEA pleads specific facts that show that the City has consistently made offers that included an Equity Adjustment.**

SLOCEA again uses rhetoric and opinion but no facts to support the argument that the City took “Inconsistent Positions on the Immediacy of Equity Adjustments.” SLOCEA’s argument seems to suggest without support that the City is not hard bargaining but acting unfairly. As noted above, case law says it is often a difficult task to distinguish between lawful hard bargaining versus bad faith adherence to an inflexible position. (*Riverside, supra*, PERB Decision No. 2360-M.) However, if a party’s inflexible position is fairly maintained and rationally supported, such facts do not amount to bad faith, absent other evidence. (*Oakland Unified School District* (1982) PERB Decision No. 275, p. 16.)

However, SLOCEA’s statement of facts does not support SLOCEA’s argument. SLOCEA’s statement of facts shows that the City, since February 3, 2022, has agreed that SLOCEA members should get an equity adjustment raise. (SLOCEA UPC p. 5.) The first offer made by the City was a 3-year deal with an equity 8.7% raise upon Council adoption, a COLA increase of 1.0% upon adoption, 2.5% in July 2023, and 2.5% in July 2024, but SLOCEA assuming 3% of the City’s CalPERS employer contribution. (SLOCEA UPC pp. 7-8.) The City then made a second proposal with two options; option one was the City’s first proposal, and option two was a 3-year deal with 8.7% equity adjustment in phases over two years and a COLA increase of 1.5% in July of both 2023 and 2024. (SLOCEA UPC p. 10.) This offer had no CalPERS cost sharing. (SLOCEA UPC p. 10.) The City made a third offer, its LBFO, again with two options. Option 1 was a 3-year deal with an average equity 9.2% raise (average of all classifications) upon Council adoption, a COLA increase of 1.5% upon adoption, 3% in July 2023, and 3% in July 2024, but SLOCEA assuming 3% of the City’s CalPERS employer contribution. (SLOCEA UPC pp. 10.) Option 2 was an average 8.7% equity adjustment (average of all classifications) in phases over two years and a COLA increase of 1.5% in July 2023 and 2% in July 2024. (SLOCEA UPC pp. 10.) All of these offers have had equity increases in the offer. Just because SLOCEA does not like the value or proposed timing of the equity adjustment in the proposals does not mean that the City has lied or been inconsistent with SLOCEA about offering the equity adjustment.

SLOCEA attempts to use two examples to show that the City is inconsistent. First, it says that the City was inconsistent for not accepting a side letter proposal by SLOCEA for a 9.2% equity adjustment effective immediately. (SLOCEA UPC p. 9.) SLOCEA also proposed a one-year agreement with a 5.6% COLA increase and no retirement contribution to go along with the side letter. SLOCEA states this offer was modeled after an 11.74% equity adjustment the Management and Confidential units received. (SLOCEA UPC p. 9.) However, SLOCEA’s factual statement is silent if Management and Confidential units contributed to employers’ CalPERS contribution and the duration (three-year) of the successor resolution for the unrepresented groups and that these units have been contributing to the employers’ CalPERS contribution since 2019-2020 in alignment with the City’s Fiscal Health Response Plan.

**Re: San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City)
Unfair Practice Charge No. LA-CE-1602-M**

October 31, 2022

Page 18

However, even if Management and Confidential units were not contributing to retirement cost sharing, SLOCEA, in its proposal, was offering a one-year agreement with a 14.6% increase, which is substantially more than Management and Confidential units received and outside the direction provided by City Council.

Second, SLOCEA states that the City did not consider the side-offer seriously. (SLOCEA p 10.) However, SLOCEA's statement of facts admits the side offer was presented to the City Council and rejected. (SLOCEA p. 10-11.)

SLOCEA, in its rhetoric, claims that by rejecting the offer, "*The City does not truly care about addressing its recruitment/retention issues or implementing wage adjustments without delay. Instead, it needs to be able to hold the equity adjustments hostage in order to extort Retirement Cost-Shifting from SLOCEA.*" This is untrue. SLOCEA's statement of facts shows the City has made multiple offers without retirement cost sharing. As noted above, just because the City is bargaining and feels that SLOCEA's requests are asking for too high a raise does not mean the City is committing an unfair labor practice.

4. **SLOCEA failed to plead any specific facts (who, what, when, where, how) to show that the City made multiple false and misleading statements to SLOCEA members, and instead, SLOCEA has pled specific facts that show many of the City's statements are true.**

SLOCEA again uses the documents the City posted and made viewable to all employees on July 6-7, 2022 to make an unfair labor practice claim. As covered in depth above, SLOCEA fails to offer any specific facts to support its claims and provides no context for its claims. (*See infra* Part (II)(8-15) and Part (III)(B).) It bears repeating, under PERB Regulation 32615(a)(5), that a charge must contain a "clear and concise statement of the facts and conduct alleged to constitute an unfair practice." SLOCEA's statement of facts fails to provide specific facts to show that the City's statements were false or misleading. Inapposite, SLOCEA's statement of facts, as noted above, proves that the City's statements are true. Therefore, the City did not make false and misleading statements and did not commit an unfair labor practice.

5. **The law is clear that the City has no duty to impose its LBFO after an impasse is declared, and SLOCEA ignores the law by asking this body to consider this an unfair labor practice.**

The City has no duty or obligation to impose its LBFO on SLOCEA after SLOCEA declined to vote on the City's LBFO and counter-offered instead, leading to an impasse. Impasse is defined by Oxford Languages as "force (something unwelcome or unfamiliar) to be accepted or put in place." It is, therefore, ironic that SLOCEA is claiming that it is an unfair labor practice that the City is not forcing its position on SLOCEA. Case law agrees.

Mr. Yano
Re: *San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City)*
Unfair Practice Charge No. LA-CE-1602-M

October 31, 2022

Page 19

"Once impasse is reached either party may refuse to negotiate further and the employer is free to implement changes reasonably comprehended within its last, best and final offer," (*Department of Personnel Administration* (2010) PERB Decision No. 2130-S.) This includes an employer choosing not to impose an LBFO. (*County of Tulare* (2015) PERB Decision No. 2461-M. p. 16 ["Having passed up an opportunity to agree to "an objectively beneficial" proposal, (the Union) cannot now complain that it was surprised by the County's entirely reasonable decision not to impose something that SEIU repeatedly said it was not interested in."].)

SLOCEA, in its Complaint, admits, "there is no requirement that an employer imposes its LBFO after impasse procedures are exhausted." (SLOCEA UPC p. 6.) SLOCEA then ignores the law and attempts to bootstrap the City's refusal to impose the LBFO into an unfair labor practice charge. SLOCEA does this not by using facts but by making an emotional appeal based on "dire economic conditions" and "SLOCEA's desperation" and by arguing that the City's statement it would not impose its LBFO if an impasse was declared, was a threat. (SLOCEA UPC p. 6.)

However, City negotiators never threatened that the City would not impose its LBFO if an impasse was declared. (Declaration of Che Johnson.) Instead, negotiators merely informed SLOCEA that City Council had told the City negotiators of the City's position not to impose an LBFO during the closed session. (Declaration of Che Johnson.)

SLOCEA's factual statement supports that there was "no threat" by the City not to impose its LBFO. (SLOCEA UPC p. 9, ["During this meeting, the City's chief negotiator Che Johnson first **indicated** to SLOCEA that when the Parties reach impasse, the City will not impose its LBFO."(Emphasis added.)]; SLOCEA UPC p. 10 ["The City's chief negotiator, Che Johnson, again **indicated** that the City's LBFO would not be imposed following the conclusion of any impasse procedure" (Emphasis added.)];]; SLOCEA UPC p. 10 ["City **indicated** for the third time that if an agreement was not reached, the City would not impose either of its LBFO. He **indicated** the City Council had provided that direction to their negotiation team in closed session. (Emphasis added.)]

The factual evidence is clear, there was no threat to SLOCEA, and the law does not compel the City to impose its LBFO. Therefore, this is not bad faith.

6. **SLOCEA fails to show that the City rushed prematurely to an impasse because the facts show that the parties' differences regarding wages are substantial, and after each side has presented three different proposals over three months of negotiations, the sides remain substantially apart.**

The City of San Luis Obispo did not rush to an impasse, and SLOCEA has failed to plead facts to show the City has. A bona fide impasse exists if the parties' differences are so substantial and prolonged that further meeting and conferring is futile, despite good faith negotiations free from unfair labor practices. (*City and County of San Francisco* (2020) PERB Decision No. 2691-

Re: ***San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City) Unfair Practice Charge No. LA-CE-1602-M***

October 31, 2022

Page 20

M, p. 39 (*San Francisco*) [judicial appeal pending]; San Ramon (2018) PERB Decision No. 2571-M, p. 6 (*San Ramon*); *Riverside, supra*, (2014) PERB Decision No. 2360-M, p. 13.) The party asserting the impasse bears the burden of proving it and therefore carries the risk of declaring an impasse prematurely when parties were not objectively at an impasse. (*City of Glendale* (2020) PERB Decision No. 2694-M, p. 61 (*Glendale*) [judicial appeal pending]; *San Ramon, supra*, PERB Decision No. 2571-M, p. 6.)

In determining the existence of an impasse on a given date, PERB focuses on numerous factors, including the number and length of negotiation sessions; the extent to which the parties have exchanged information and thoroughly discussed proposals and counterproposals in good faith; and the nature of the unresolved issues and the parties' discussions of such issues to date. (*Glendale, supra*, PERB Decision No. 2694-M, pp. 60-61; *San Francisco, supra*, PERB Decision No. 2691-M, p. 39; *San Ramon, supra*, PERB Decision No. 2571-M, pp. 9-12; *Riverside, supra*, PERB Decision No. 2360-M, pp. 13-14.) Continued movement on minor issues will not prevent a finding of impasse if the parties remain deadlocked on one or more major issues. (*Glendale, supra*, PERB Decision No. 2694-M, pp. 60-61; *San Francisco, supra*, PERB Decision No. 2691-M, p. 39; *Regents of the University of California* (1985) PERB Decision No. 520-H, p. 17.) However, both parties must believe they are at the "end of their rope," which is typically negated if one party displays continuing movement or if the other party references a deadline for the completion of negotiations and acts in accordance with that deadline. (*Glendale, supra*, PERB Decision 17 No. 2694-M, pp. 60-61; *San Francisco, supra*, PERB Decision No. 2691-M, p. 39; *Riverside, supra*, PERB Decision No. 2360-M, p. 13.) An employer may declare impasse only if it has bargained in good faith throughout negotiations, from "inception through exhaustion of statutory or other applicable impasse resolution procedures," and its "conduct is free of unfair labor practices." (*City of San Jose* (2013) PERB Decision No. 2341-M (*San Jose*) p. 40.)

As referenced above, the City has acted in good faith throughout the negotiations. SLOCEA makes three arguments that the City prematurely called an impasse on very little factual evidence.

First, SLOCEA claims that the City declared an impasse even knowing its general membership planned to vote on the City's LBFO. When SLOCEA made a counteroffer on July 6, 2022, they rejected the LBFO. Furthermore, SLOCEA offers no specific facts to show who within the City knew that SLOCEA was still planning to vote on the LBFO. SLOCEA, by their statement of facts, had over a month to schedule a vote on the City's LBFO. The City could not assume or know that SLOCEA would still vote on the LBFO.

Second, SLOCEA claims the City knew SLOCEA's Board and membership were not yet acquainted with SLOCEA's third proposal. Looking beyond the fact that SLOCEA negotiators were making offers that its board and membership were unfamiliar with, SLOCEA pleads no specific facts of who or when the City knew SLOCEA negotiators had not told the board and its members about the third proposal. Furthermore, even if the City knew, SLOCEA has not shown

Re: *San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City) Unfair Practice Charge No. LA-CE-1602-M*

October 31, 2022

Page 21

any case law or decisions that explain why the City is responsible or has the duty not to declare an impasse based on SLOCEA's internal processes.

Third, SLOCEA believes that because the City declared an impasse fifteen minutes after receiving SLOCEA's offer, the City never analyzed the proposal before declaring an impasse. However, SLOCEA offers no specific factual support for this claim; instead, they argue that fifteen minutes was not enough time to analyze the proposal and know the cost of the proposal. (SLOCEA UPC p. 15.) To meet its prima facie burden, SLOCEA must offer facts, not conjecture. SLOCEA again pled no specific facts to support its beliefs.

The facts SLOCEA has pled show that offers between the parties regarding wages and the length of the MOU were very far apart and had remained far apart throughout the negotiations. The parties had spent over three months negotiating; the City had presented an LBFO to SLOCEA, which SLOCEA refused to vote on for over a month. Instead of holding a vote, SLOCEA presented the City with a counteroffer that was not reasonably close to the City's LBFO and far exceeded Council authority on the face of the counteroffer. Therefore, the City correctly declared an impasse because the two parties' positions were a substantial distance apart, and the parties had not been able to bridge the gap in over three months of negotiations, a prolonged period.

CONCLUSION

In conclusion, SLOCEA has failed to plead specific facts to support its claims. First, there was no direct dealing by the City. The City emailed and posted on SharePoint documents that the association was familiar with and was not coercive or threatening. SLOCEA has failed to prove that the statements were false or misleading and the majority of the facts they have pled prove the opposite.

Second, SLOCEA has failed to meet its burden to show under the totality of the circumstances that the City was bargaining in bad faith. They have failed to show that any of the circumstances represent bad faith. They have failed to show that the City foreclosed retroactive pay raises to SLOCEA members due to non-existent delays because the City policy is not to pay retroactively. SLOCEA has failed to show that the City could not publish the documents or that the documents were false or misleading. SLOCEA has failed to show that the City has the right to impose a last best final offer, because they attempt to appeal to the boards emotions rather than follow the law. Lastly, they failed to prove that the City prematurely declared impasse because the facts show that parties were far apart and had been far apart on wages for a

PERB Received

Mr. Yarbrough
10/31/22 15:53 PM

Re: *San Luis Obispo City Employees Association (SLOCEA) v. City of San Luis Obispo (City)*
Unfair Practice Charge No. LA-CE-1602-M

October 31, 2022

Page 22

substantial period of time. If none of the *circumstances* show that the City was acting in bad faith then the *totality of the circumstance* shows that the City was acting in good faith.

Very truly yours,

LIEBERT CASSIDY WHITMORE



James Patrick Bonnie

JPB:cgd

Exhibit A

DECLARATION OF NICKOLE DOMINI

I, Nickole Domini, declare as follows:

1. I am an employee of the City of San Luis Obispo (“City”). The City has employed me since August 2008. I am currently the Human Resources Director for the City.

2. I have personal knowledge of each matter stated herein, and if called upon to do so, I could and would competently testify to each matter set forth herein.

3. I am making this Declaration in support of the City of San Luis Obispo's response to the unfair labor practice charge brought by San Luis Obispo City Employees' Association (“SLOCEA”).

4. In compliance with the 2019-2022 SLOCEA Memorandum of Agreement, the City conducted a market benchmark compensation study by February 2022. The draft report of findings was shared with the advisory compensation committee in late 2021, and the final report of findings was shared with the committee on January 6, 2022. The advisory committee included representatives from SLOCEA and unrepresented management; notably, more than half of the SLOCEA bargaining team was on the advisory committee including SLOCEA's chief negotiator, SLOCEA's president, and SLOCEA's current vice president.

5. On February 3, 2022, the City contacted SLOCEA and requested to start negotiations early. The City wanted to start negotiations early to give their employees well-deserved raises and make hiring new employees with a competitive salary structure easier. On February 10, 2022, SLOCEA denied the City's request, responding that they were not prepared to start bargaining because they did not have enough time to review the compensation study results. This surprised other City officials and me because SLOCEA's bargaining team had access to the final compensation study report for over one month.

6. In February 2022, the City appropriated funds to implement the market equity adjustments for SLOCEA and the Unrepresented Management and Confidential groups, hence the desire to begin negotiations early with SLOCEA. On February 7, 2022, the City received economic authority and direction from the City Council in Closed Session to begin negotiations with SLOCEA and have conversations with the Unrepresented Management and Confidential groups. As such, the City worked in parallel to reach agreement with SLOCEA and the unrepresented groups. Ms. Domini had several discussions with the SLOCEA President and shared the proposed increases for the unrepresented groups to the SLOCEA president in mid-March 2022, *prior* to sharing the proposed increases with the unrepresented groups.

7. On March 3, 2022, the City again reached out to SLOCEA and requested to start negotiations. SLOCEA did not formally respond. It took three more follow-up requests before SLOCEA formally responded on March 23, 2022, when they stated they were prepared to start negotiations.

8. The parties met on March 28, 2022, and the City offered a comprehensive set of initial proposals. These proposals contained all matters the City wanted to negotiate, including implementing the City's compensation survey and additional COLA increases for a three-year successor agreement. It was the City's goal to complete negotiations well before the expiration of the party's agreement on July 1, 2022. However, it was not until the fourth negotiation session on May 10, 2022 (43 days later) that SLOCEA passed its initial proposals. During these 43 days, SLOCEA provided no counterproposals or responses to the City's comprehensive proposal.

9. Attached as Exhibit C, is a true and correct copy of the City's March 28, 2022, Initial Offer.

10. Following two additional negotiation sessions, the City provided its Last, Best, and Final Offer (LBFO) to SLOCEA on June 1, 2022. The City's LBFO contained the full authority provided by the City Council. Again, the City provided its proposal in the hope that an agreement regarding the implementation of the salary survey and the wage increases could be reached prior to the expiration of the previous MOA. The City asked SLOCEA's negotiators to have the members vote on the LBFO. Instead of that vote, citing a month-long notice problem, SLOCEA proposed counteroffers. The City waited over a month for SLOCEA to vote on the City's LBFO.

11. Attached as Exhibit D is a true and correct copy of the City's LBFO offered on June 1, 2022.

12. Attached as Exhibit F is a true and correct copy of SLOCEA's two-option counteroffer, given to the City on July 6, 2022.

13. SLOCEA rejected the City's LBFO when they made the counteroffer. They did not ask for the counteroffer to remain on the table for a vote the next day. The City knew the cost of SLOCEA's third proposal. Computer programs can quickly calculate the price of a percentage increase in wages. Furthermore, the offers were under three years, and the City had made clear throughout negotiations that we wanted a three-year MOU contract. Therefore, despite the City's good faith efforts to reach an agreement, the City declared an impasse on July 6, 2022.

14. As Human Resources Director and a member of the City's negotiation team, I am familiar with and have personal knowledge of the City's fiscal and labor relations policies adopted by City Council. These policies include, but are not limited to, the Compensation Philosophy, the Fiscal Health Response Plan, and the Labor Relations Objectives, all of which have been shared with SLOCEA over the years since their adoption. I have personal knowledge that employee labor agreements should be negotiated in a timely manner that avoid retroactivity provisions unless there is a compelling need. The City's actions of attempting to initiate negotiations early and providing a comprehensive proposal on the first negotiations session in an

effort to quickly reach agreement and implement the salary survey is in alignment with the Compensation Philosophy and Labor Relations Objectives. As Human Resources Director, I am aware of and have personal knowledge of the City's other bargaining unit MOUs with the City. The City's Fiscal Health Response Plan and the City's Labor Relations Objectives speak to making progress in the area of long-term systemic pension cost containment and reduction by the means of retirement cost sharing. SLOCEA is the only bargaining unit at the City that has not agreed to retirement cost sharing.

15. I am a member of the City's negotiation team and have participated in the negotiations with SLOCEA. I have personal knowledge that the City made multiple offers that do not include a CalPERS cost-sharing option. The City has done this to be flexible in its negotiations and find common ground. Furthermore, the City has explained to SLOCEA that it wants cost sharing to help balance the City's long-term financial forecast and pay down the City's pension liabilities.

16. I am familiar with the documents that were posted on City's SharePoint account and the email I sent on July 6, 2022. The items posted and emailed were not coercive, threatening, nor did the items propose new information the SLOCEA negotiators had not seen. Exhibit F is a true and exact copy of the email I sent on July 7, 2022.

17. On October 4, 2022, SLOCEA Factfinder Panelist, Ryan Dale, in response to the proposed settlement from the Factfinder stated that "[t]his panelist disagrees with the recommendation concerning SLOCEA's standby proposal. In all other respects, this Association Panelist concurs with the Fact-finding report and settlement." The standby proposal was regarding just two Water Supply Operators.

18. On October 11, 2022, the City's negotiators based on Ryan Dale's letter went to the City Council for authorization to accept Option 1 of the Factfinders recommendation. Option 1 was an average 9.9% equity adjustment upon ratification of the contract, 1% COLA in Year 1, 4% COLA in Year 2 and 1.5% Retirement Cost sharing, 4% COLA in Year 3 and 1.5% Retirement Cost sharing. The City Council authorized City Negotiators to accept Option 1 of the Factfinders report. On October 12, 2022, SLOCEA negotiators rejected Option 1 of the factfinders report and stated that the City misunderstood Ryan Dale's letter.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 31 day of October 2022, in San Luis Obispo, California.



Nickole Domini

Exhibit B

DECLARATION OF CHE JOHNSON

I, Che Johnson, declare as follows:

1. I am an attorney licensed to practice law in the State of California, and an attorney with the law firm of Liebert Cassidy Whitmore. I have personal knowledge of the facts below or have gained such knowledge from my review of the file in this case.

2. I am submitting this Declaration in support of the City of San Luis Obispo (“City”).

3. I am the Chief Negotiator for the City of San Luis Obispo.

4. City negotiators never threatened that the City would not impose its Last, Best, and Final Offer (LBFO) if an impasse were declared. Instead, negotiators merely informed SLOCEA that if the parties were unable to reach agreement and exhausted the impasse procedures, that the City Council has authority to do nothing or impose the first year of its LBFO without retirement cost sharing. Further, negotiators informed SLOEA that City Council told the City negotiators of the City’s position not to impose an LBFO during the closed session. No threat was ever issued either explicitly or implicitly.

5. On May 24, 2022, City did not present LBFO to SLOCEA. Rather SLOCEA and I discussed that if the parties were unable to reach an agreement the city council had authority to do nothing or impose the first year of its LBFO without retirement cost sharing.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 31 day of October 2022, in Fresno, California.

Signature to Follow
Che Johnson

Exhibit C



PERB Received
10/31/22 15:53 PM

Ground Rules Agreement

The City of San Luis Obispo & San Luis Obispo City Employees' Association

March 28, 2022

1. Negotiating teams shall not exceed seven persons; however, additional members may be designated for special purposes with 72 hours prior notice.
2. Employees who are members of the SLOCEA negotiating team shall be provided release time. Additionally, employees of the SLOCEA team will be granted one (1) hour prior and one (1) hour after scheduled meetings to caucus.
 - A. Negotiations shall include all actual bargaining and caucus times.
 - B. Association representatives shall be compensated at straight time for all release time including bargaining sessions during hours they are not assigned to work.
 - C. Association representatives who attend bargaining sessions during hours they are not assigned to work shall be permitted to adjust off work for an equivalent period of time at straight time during the same work week. Prior approval of the unit member's supervisor shall be obtained for any work period adjustment.
3. Each party shall appoint a Chief Negotiator who shall be the principal spokesperson for their team in negotiation sessions. Only the Chief Negotiator may make commitments for their respective group.
4. At each bargaining session, the parties will review if additional bargaining sessions are needed and if so, one to three additional dates will be scheduled.
5. To the extent possible, either party cancelling a scheduled negotiations meeting shall provide seventy-two (72) hours prior notice in writing to the designated Chief Negotiator of the other party when possible. If 72 hours prior notice is not possible, the cancelling party shall provide notice as soon as possible.
6. The parties value a continuing positive relationship and are committed to engaging in good faith negotiations for a successor labor agreement and reaching all agreements at the bargaining table. The attendance of negotiation sessions shall be confidential and not open to the public. This does not limit the parties ability to share information or proposals provided during negotiations. ~~To this end, the parties agree that the details of bargaining sessions will be shared only by each side with their respective principals. The Further the parties agree that negotiation meeting dates, Chief Negotiator's name and contact information may be posted on the City of San Luis Obispo and SLOCEA webpage. The parties further agree that any and all public communications by the parties on the subject of these negotiations will be as authorized by State Law.~~
7. All initial bargaining proposals shall be submitted by the third negotiating session following March 28, 2022 ~~October 17, 2019~~. The parties agree that during the course of negotiations there will be many exchanges of information which did not appear in the initial proposals of either side. These exchanges of information represent proposals in the traditional bargaining process, and do not represent new items or issues. This ground rule is not intended to restrict in anyway counter proposals, but rather it is intended to identify all areas of bargaining.



Ground Rules Agreement

The City of San Luis Obispo & San Luis Obispo City Employees' Association

March 28, 2022

8. To the extent practicable, proposals and counter offers should be in writing. If a proposal is not provided in writing, it shall be provided in writing within 48 hours. Otherwise, proposals not provided in writing shall not be considered official proposals but rather collaborate discussions.
9. All agreements on individual proposals are tentative pending mutual acceptance of a final package. Tentative agreements shall be in writing and initialed by both Chief Negotiators.
10. If a comprehensive tentative agreement for a successor MOUA is reached between the negotiations teams, the comprehensive tentative agreement will be recommended to the SLOCEA membership for ratification. Upon acceptance by SLOCEA membership, City representatives will recommend the MOUA to the City Council to be adopted by resolution.
11. In the event that a successor agreement is not reached by the expiration of the MOUA, the provisions of the current agreement shall remain in full force and effect until a successor agreement is in place or until exhaustion of the applicable impasse process.
12. If an impasse is declared, the Parties shall submit all remaining issues in dispute to mediation. Parties shall request a mediator from the California State Mediation and Conciliation Service (SMCS). In the event that mediation does not resolve all remaining issues in dispute, Parties shall submit all remaining issues in dispute to fact finding. The Parties shall follow the requirements for fact finding and related provisions as enacted by AB 646, codified in California Government Code Sections 3505.4, 3505.5 and 3505.7, unless the parties mutually agree to other impasse resolution procedures.

Dale Strobridge
Chief Negotiator/SLOCEA

Date

Che Johnson
Chief Negotiator/City of SLO

Date

APPENDIX B - SKILLS BASED PAY GUIDANCE DOCUMENT

*Recommend removing the Skills Based Pay Guidance Document from the MOU.

ARTICLE 3 - TERM OF AGREEMENT

This Agreement shall become effective July 1, 2022~~19~~, except that those provisions which have specific implementation dates shall be implemented on those dates and shall remain in full force and effect until midnight June 30, 2025~~2~~.

ARTICLE 5 - SALARY

A. RULES GOVERNING STEP CHANGES FOR NON-SKILLS BASED PAY EMPLOYEES

The following rules shall govern step increases for employees:

- (1) The first step is the minimum rate and shall normally be the hiring rate for the class. In cases where it is difficult to secure qualified personnel, or if a person of unusual qualifications is hired, the Human Resources Director may authorize hiring at any step.
- (2) The second step is an incentive adjustment to encourage an employee to improve their work. An employee may be advanced to the second step following the completion of twelve months satisfactory service upon recommendation by the department head and the approval of the Human Resources Director.
- (3) The third step represents the middle value of the salary range and is the rate at which a fully qualified, experienced and ordinarily conscientious employee may expect to be paid after a reasonable period of satisfactory service. An employee may be advanced to the third step after completion of twelve months service at the second step, provided the advancement is recommended by the department head and approved by the Human Resources Director.
- (4) The fourth and fifth steps are to be awarded only if performance is deemed competent or above as shown on the last performance evaluation. An employee may be advanced to the fourth step after completion of one year of service at the third step provided the advancement is recommended by the department head and approved by the Human Resources Director. An employee may be advanced to the fifth step after completion of one-year service at the fourth step provided the advancement is recommended and justified in writing by the department head and approved by the Human Resources Director.
- (5) The above criteria for step increases apply except where other arrangements are authorized by the City Manager.

- (6) In applying the above rules, the next step shall be granted, other conditions having been met, on the first day of the payroll period within which the anniversary date occurs.
- (7) Should the employee's salary not be increased, it shall be the privilege of the department head and City Manager to reconsider such increase at any time during the year.
- (8) Each department head shall be authorized to reevaluate employees who reach Step 5 in their pay range. An employee who is not performing up to standard for the fifth step shall be notified in writing that the department head intends to reduce him one step unless his job performance improves to an acceptable level by the end of 60 days. Prior to the end of 60 days the department head shall again reevaluate the employee and, as part of that reevaluation, shall notify the employee if the pay reduction shall then become effective. The fifth step may be reinstated at any time upon recommendation of the department head. If the department head deems it necessary to again remove the fifth step during the same fiscal year, they may make the change at any time with three business days written notice.

B. RULES GOVERNING SKILLS BASED PAY

The guidelines for Skills Based Pay classifications are set forth in Appendix B.

C. "Y" RATING

An employee who is not performing up to established job standards for reasons including but not limited to transfer, reclassification, and performance issues may be "Y" rated, freezing their salary until such time as standards are met. The department head shall give 60 days' written notice to any employee they intend to "Y" rate, giving the employee an opportunity to correct any deficiencies. A "Y" rated employee would not receive either step increases, or salary increases granted by the City Council in a MOA resolution such as across the board cost of living increases, market equity increases, or other increases to salary. The "Y" rating procedure shall not result (then or later) in the employee being frozen below the next lower step of the new range. For

example, if an employee is at step 4 when "frozen" their salary shall not ever be less than the current step 3 by this action. The only limited exception to "Y" rating may be found in Appendix B, Skills Based Pay Guidance document.

D. COMPUTATION OF SALARY RANGE

Each salary range consists of five steps (1 through 5). Steps 1 through 4 equal 95% of the next highest step, computed to the nearest one dollar.

- Step 4 = 95% of Step 5
- Step 3 = 95% of Step 4
- Step 2 = 95% of Step 3
- Step 1 = 95% of Step 2

Each across-the-board % salary increase shall raise step 5 of range 1 by that %. Step 5 of each successive salary range will be 2.63% above step 5 of the next lower range. After all step 5's of salary ranges have been established, each biweekly step 5 shall be rounded off to the nearest \$1.00 and the remaining steps established in accordance with the above formula.

E. SALARY PROVISION FOR THE TERM OF AGREEMENT

~~The parties agree to a salary increase as set forth below to be effective on the first day of the first full payroll period following the date specified below for all unit members~~
Salary increases will be effective the first day of the first full pay period in the month listed below for all classifications:-

- ~~• December 2020~~ _____ 1.5%
- ~~• July 2021~~ _____ 2.5%
- Following Council adoption or July 2022 whichever is later 1.0%
- July 2023 _____ 2.5%
- July 2024 _____ 2.5%

F. MARKET EQUITY ADJUSTMENTS

In addition to the above listed salary increases, the following classifications shall receive market equity adjustments to be effective the first day of the first full pay

period following Council adoption or July 2022 whichever is later. These adjustments are based on the 2021 Benchmark Compensation Study results and are implemented in an effort to address recruitment and retention challenges:

<u>Classification Title</u>	<u>Actual % Increase</u>
<u>Accounting Assistant I</u>	<u>5.3%</u>
<u>Accounting Assistant II</u>	<u>5.3%</u>
<u>Accounting Assistant III</u>	<u>5.3%</u>
<u>Administrative Assistant I</u>	<u>5.3%</u>
<u>Administrative Assistant II</u>	<u>5.3%</u>
<u>Administrative Assistant III</u>	<u>0.0%</u>
<u>Application System Specialist</u>	<u>16.9%</u>
<u>Assistant Planner</u>	<u>10.9%</u>
<u>Associate Planner</u>	<u>10.9%</u>
<u>Building Inspector I</u>	<u>5.4%</u>
<u>Building Inspector II</u>	<u>5.3%</u>
<u>Cannabis Business Coordinator</u>	<u>10.9%</u>
<u>Code Enforcement Officer I</u>	<u>5.4%</u>
<u>Code Enforcement Officer II</u>	<u>5.3%</u>
<u>Code Enforcement Technician I</u>	<u>5.3%</u>
<u>Code Enforcement Technician II</u>	<u>5.4%</u>
<u>Communications Coordinator</u>	<u>2.6%</u>
<u>Control Systems Administrator</u>	<u>16.9%</u>
<u>Deputy City Clerk I</u>	<u>0.0%</u>
<u>Deputy City Clerk II</u>	<u>2.6%</u>
<u>Engineer I</u>	<u>8.1%</u>
<u>Engineer II</u>	<u>8.1%</u>
<u>Engineer III</u>	<u>8.1%</u>
<u>Engineering Inspector I</u>	<u>8.1%</u>
<u>Engineering Inspector II</u>	<u>8.1%</u>
<u>Engineering Inspector III</u>	<u>8.1%</u>
<u>Engineering Inspector IV</u>	<u>8.1%</u>
<u>Engineering Technician I</u>	<u>8.1%</u>
<u>Engineering Technician II</u>	<u>8.0%</u>
<u>Engineering Technician III</u>	<u>8.1%</u>
<u>Enterprise System Database Administrator</u>	<u>16.9%</u>
<u>Environmental Compliance Inspector</u>	<u>8.1%</u>

<u>Classification Title</u>	<u>Actual % Increase</u>
<u>Equipment Operator</u>	<u>8.2%</u>
<u>Facilities Maintenance Technician (SBP)</u>	<u>10.0%</u>
<u>Financial Specialist</u>	<u>5.4%</u>
<u>GIS Specialist I</u>	<u>13.8%</u>
<u>GIS Specialist II</u>	<u>13.9%</u>
<u>Golf Maintenance Crew Coordinator</u>	<u>5.3%</u>
<u>Heavy Equipment Mechanic</u>	<u>10.9%</u>
<u>Housing Coordinator</u>	<u>10.9%</u>
<u>Information Technology Assistant</u>	<u>13.9%</u>
<u>Information Technology Security Engineer</u>	<u>16.9%</u>
<u>Information Technology System Engineer</u>	<u>16.9%</u>
<u>Laboratory Analyst (SBP)</u>	<u>8.0%</u>
<u>Maintenance Contract Coordinator</u>	<u>8.1%</u>
<u>Maintenance Worker I - Parks</u>	<u>10.9%</u>
<u>Maintenance Worker II - Parks</u>	<u>10.9%</u>
<u>Maintenance Worker III - Parks</u>	<u>11.0%</u>
<u>Mechanic Helper</u>	<u>10.9%</u>
<u>Parking Coordinator</u>	<u>10.9%</u>
<u>Parking Enforcement Officer I</u>	<u>10.9%</u>
<u>Parking Enforcement Officer II</u>	<u>11.0%</u>
<u>Parking Meter Repair Worker</u>	<u>11.0%</u>
<u>Parks Crew Coordinator</u>	<u>10.8%</u>
<u>Parks Maintenance Specialist (SBP)</u>	<u>10.0%</u>
<u>Permit Technician I</u>	<u>5.3%</u>
<u>Permit Technician II</u>	<u>0.0%</u>
<u>Planning Technician</u>	<u>8.1%</u>
<u>Plans Examiner</u>	<u>5.3%</u>
<u>Ranger Maintenance Worker I</u>	<u>10.8%</u>
<u>Ranger Maintenance Worker II</u>	<u>10.9%</u>
<u>Recreation Coordinator</u>	<u>2.6%</u>
<u>Signal and Streetlight Technician</u>	<u>13.9%</u>
<u>Solid Waste and Recycling Coordinator</u>	<u>8.1%</u>
<u>Stormwater Code Enforcement Officer</u>	<u>5.3%</u>
<u>Streets Crew Coordinator</u>	<u>10.8%</u>
<u>Streets Maintenance Operator (SBP)</u>	<u>10.0%</u>
<u>Supervising Accounting Assistant</u>	<u>2.6%</u>

<u>Classification Title</u>	<u>Actual % Increase</u>
<u>Supervising Administrative Assistant</u>	<u>2.6%</u>
<u>Supervising Utility Billing Assistant</u>	<u>2.6%</u>
<u>Sweeper Operator</u>	<u>8.2%</u>
<u>Systems Integration Administrator</u>	<u>16.9%</u>
<u>Tourism Coordinator</u>	<u>2.6%</u>
<u>Transit Assistant</u>	<u>0.0%</u>
<u>Transit Coordinator</u>	<u>2.6%</u>
<u>Transportation Planner-Engineer I</u>	<u>8.1%</u>
<u>Transportation Planner-Engineer II</u>	<u>8.1%</u>
<u>Transportation Planner-Engineer III</u>	<u>8.1%</u>
<u>Underground Utilities Locator</u>	<u>13.9%</u>
<u>Urban Forester (SBP)</u>	<u>10.0%</u>
<u>Utility Billing Assistant</u>	<u>5.3%</u>
<u>Wastewater Collection System Operator (SBP)</u>	<u>12.0%</u>
<u>Water Distribution Chief Operator</u>	<u>13.9%</u>
<u>Water Distribution System Operator (SBP)</u>	<u>12.0%</u>
<u>Water Resource Recovery Facility Chief Maintenance Technician</u>	<u>12.4%</u>
<u>Water Resource Recovery Facility Chief Operator</u>	<u>12.4%</u>
<u>Water Resource Recovery Facility Maintenance Technician (SBP)</u>	<u>12.0%</u>
<u>Water Resource Recovery Facility Operator (SBP)</u>	<u>12.0%</u>
<u>Water Resources Technician</u>	<u>11.0%</u>
<u>Water Supply Operator (SBP)</u>	<u>12.0%</u>
<u>Water Treatment Plant Chief Maintenance Technician</u>	<u>12.4%</u>
<u>Water Treatment Plant Chief Operator</u>	<u>12.4%</u>
<u>Water Treatment Plant Operator (SBP)</u>	<u>12.0%</u>
<u>Youth Services Program Assistant</u>	<u>5.3%</u>
<u>Youth Services Program Specialist</u>	<u>5.3%</u>

F. ~~LUMP-SUM PAYMENTS~~

~~On December 31, 2020, the City will issue a one-time lump-sum payment of \$1,500 (less applicable taxes) to bargaining unit members who were employed by the City as of November 1, 2020.~~

G. ~~COMPENSATION STUDY~~

~~The City will complete a benchmark compensation survey by February 28, 2022.~~

ARTICLE 6 - OVERTIME

A. CITY/CONTRACT OVERTIME

Overtime is defined as all hours preauthorized by management and worked by the employee in excess of forty (40) hours worked in a work week. An employee's failure to have overtime preauthorized may be subject to discipline up to and including termination.

All paid leave hours shall be counted as hours worked for purposes of calculating overtime to include Vacation, Holiday, Sick Leave and Compensatory Time Off (CTO). All overtime shall be authorized by the department head or designee prior to being compensated.

B. FLSA/STATUTORY OVERTIME

For the purpose of complying with the Fair Labor Standards Act (FLSA) overtime requirements under 29 USC Section 207(a), the City has adopted a dual calculation method whereby it calculates FLSA overtime based on all hours actually worked by overtime eligible employees in excess of 40 hours in the seven-day work period. To the extent the City's dual calculation method determines that FLSA overtime owed for the seven-day work period exceeds the amount of City/Contract overtime paid for in the same seven-day work period, the difference will be paid to the employee by way of an "FLSA Adjustment" in the following City pay period.

C. COMPENSATION

All overtime as defined in Section A of this Article shall be paid in cash at one and one half (1 1/2) the employee's base rate of pay, plus incentives as defined below in Section E, or in time off (CTO) at the rate of one and one-half (1 1/2) hours for each hour of overtime worked. All overtime shall be compensated to the nearest five (5) minutes worked.

Separate and apart from the City's contractual obligation to pay overtime in accordance with Section A above, the City is obligated to calculate and pay, at a minimum, FLSA overtime based on the federally defined regular rate of pay which includes cash in lieu in compliance with the *Flores v. City of San Gabriel* applicable to members of SLOCEA's bargaining unit. This calculation will be administered in accordance with Section B above.

D. COMPENSATORY TIME OFF (CTO)

An employee who earns City/Contract overtime as defined in Section A above may elect compensation in the form of time off (CTO). An employee may be compensated in CTO and maintain up to sixty (60) hours of CTO in their CTO account during the calendar year. Accumulated CTO may be taken through December 31st of each calendar year. Accumulated CTO not taken by midnight December 31st shall be compensated in cash at an employee's hourly rate of pay not including any incentives. Such compensation shall be paid in January of the following year.

E. PAY INCENTIVES TO BE INCLUDED IN THE BASE RATE FOR OVERTIME UNDER SECTIONS A AND B ABOVE

- Bilingual Pay
- Safety Committee Pay
- ~~Microsoft Certified Engineer (MSCE) or VMware Certified Professional (VCP) Certifications~~
- Standby Pay
- Work out of Grade Pay
- Temporary Assignment Pay

F. WORK WEEK FOR CALCULATION OF OVERTIME

For all bargaining unit members working a regular 5/40 work schedule or a 4/10 alternative work schedule, the work week for the purpose of calculating overtime as defined in Sections A & B of this Article shall be seven consecutive days, beginning at 12:00 am Thursday and ending at 11:59 pm Wednesday.

For all bargaining unit members working a 9/80 alternative work schedule, the work week for the purpose of calculating overtime as defined in Section A and B of this Article shall be seven consecutive days, beginning exactly four hours into their eight-hour shift on the day of the week which constitutes their alternative regular day off.

G. OVERTIME DISPUTE RESOLUTION PROCEDURE

The City and the Association acknowledge and agree that they have met and conferred in good faith in accordance with California Government Code Section 3505 over the definition, calculation, and payment of contract overtime as defined in Section A above. The City and the Association further acknowledge and agree that Section A above establishes the full extent of the City's contractual obligations to pay overtime for services rendered within the course and scope of employment by members of the bargaining unit and that to the extent individual claims for statutory overtime under Section B above are asserted by or on behalf of any member of the bargaining unit during the term of the MOA, such claims will not present or support a claim for contract overtime under the MOA. The City and the Association further acknowledge and agree that any and all claims for statutory overtime under Section B above are expressly excluded from the grievance procedure set forth in Article 35 of the MOA.

The City and the Association further acknowledge and agree that they have met and resolved potential issues concerning back overtime related to the Flores vs. City of San Gabriel decision in the 2018-19 Memorandum of Agreement.

ARTICLE 7 - STANDBY

- A. Standby duty is defined as that circumstance which requires an employee so assigned to:
- Be ready to respond immediately to a call for service;
 - Be readily available at all hours by telephone or other agreed-upon communication equipment; and
 - Refrain from activities which might impair their assigned duties upon call (including alcohol consumption).
- B. Effective the first full pay period following the adoption of this agreement by City Council, employees will receive forty-five dollars (\$45.00) for each weekday, and sixty-five dollars (\$65.00) for each weekend day and holiday of such assignment. Employees working an alternative work schedule that are assigned to standby duties and are scheduled off work on a weekday shall receive sixty-five dollars (\$65.00) weekend standby pay.
- C. For return to work as part of a standby assignment, as defined above, the City will guarantee either two (2) hours of pay in cash at straight time or pay at time and one half for time actually worked whichever is greater. If an employee is able to perform the work remotely and not physically return to work, the City will guarantee either one (1) hour pay in cash at straight time or pay at time and one-half for time actually worked, whichever is greater.
- D. The parties agree that employees on standby, as defined above, are "waiting to be engaged."

ARTICLE 8 - CALLBACK

A. DEFINITION

Callback is defined as that circumstance which requires an employee to unexpectedly return to work after the employee has left work at the end of the employee's work shift or workweek;

Except that, an early call-in of up to two (2) hours prior to the scheduled start of a work shift shall not be considered a callback.

B. COMPENSATION

For an unexpected return to work, as defined in A above, the City will guarantee either four (4) hours pay in cash at straight time or pay at time and one-half for time actually worked, whichever is greater. If an employee is able to perform the work remotely and not physically return to work, the City will guarantee either two (2) hours pay in cash at straight time or pay at time and one-half for time actually worked, whichever is greater.

If an employee who was called back or remotely worked and has completed their assignment and left work is again called back to work, they will not receive another minimum if the return is within the original minimum.

ARTICLE 9 - WORK OUT OF CLASSIFICATION

A. OUT-OF-CLASS ASSIGNMENT

For the purposes of this article, an out-of-class assignment is the full-time performance of all the significant duties of an available, funded position in one classification by an individual in a position in another classification. An employee assigned in writing by management to work out-of-class in a position that is assigned a higher pay range and is vacant pending an examination or is vacant due to an extended sick leave, shall receive five percent (5%), but in no case more than the next higher step of the higher class, in addition to their regular base rate commencing on the eleventh consecutive workday on the out-of-class assignment. In order to receive out of class pay, an employee must be working in the out of class assignment and cannot have a leave of absence longer than two (2) consecutive weeks, unless approved otherwise. ~~Employees assigned as project managers and thereby working out of classification shall receive compensation pursuant to this section.~~

Work out-of-class compensation will be evaluated after six months. Out-of-class compensation will be increased to the first step of the higher classification at least five percent (5%) upon the recommendation of the supervisor and approval of the department head.

B. SEASONAL SUPERVISION

If, in addition to their regularly assigned employees, any employee responsible for five (5) or more supplemental (temporary) workers for a period exceeding 10 consecutive workdays shall receive additional pay of five percent (5%) commencing with the 11th day.

ARTICLE 10 - TEMPORARY ASSIGNMENT

An appointing authority or designee may temporarily assign an employee to a different position for a specific period of time not to exceed 90 days, after which the employee returns to their regular duties and position from which they were regularly assigned. The temporary assignment may be extended past 90 days if agreed to by the employee in writing. Such action shall have the prior approval of the Human Resources Director or designee. An appointing authority may assign an employee to a different position for a period of time not to exceed 90 days, provided the employee has received 24 hours written notice which includes reasons for the assignment. Employees who are subject to temporary assignment shall be compensated in accordance with Article 9A. In order to receive temporary assignment pay, an employee must be working in the temporary assignment and cannot have a leave of absence longer than two (2) consecutive weeks, unless approved otherwise.

ARTICLE 15 - RETIREMENT

A. PERS Contracts

1. **“Classic Members First Tier”** employees hired before December 6, 2012.

The City agrees to provide the Public Employees' Retirement System's (PERS) 2.7% at age 55 plan to all eligible employees using the highest one-year as final compensation. The 2.7% at 55 plan includes the following amendments: the 1959 Survivor's Benefit – Level Four, conversion of unused sick leave to additional retirement credit, Military Service Credit, and Pre-Retirement Optional Settlement 2 Death Benefit.

2. **“Classic Members Second Tier”** employees hired on or after December 6, 2012.

The City agrees to provide the PERS 2% at 60 plan using the highest three-year average as final compensation. The 2.0% at 60 plan includes the following amendments: the 1959 Survivor's Benefit – Level Four, conversion of unused sick leave to additional retirement credit, Military Service Credit, and Pre-Retirement Option Settlement 2 Death Benefit.

3. **“New Members Third Tier”** employees hired after January 1, 2013.

PERS determines who are “New Members” within the meaning of the California Public Employees' Pension Reform Act (PEPRA). The City will provide the PERS 2% @ 62 plan, using the highest three-year average as final compensation.

B. Member Contributions

1. **“Classic Members First and Second Tier”**

Effective the first pay period in January 2014, employees began paying the full member contribution required under the plan for first and second tier (8% and 7% respectively) employees and the City discontinued their payment of the member

contribution. For purposes of this Section, employee contributions are based on salary and special compensation as defined by PERS.

Effective the first full pay period following Council adoption, all employees shall contribute three (3%) percent in addition to the employee contribution defined in the paragraph above. These additional contributions are in accordance to the provisions of AB 340, §7522.30 and §20516.

All of the employee contributions are made on a pre-tax basis as allowed under Internal Revenue Service Code Section 414 (h) (2).

2. **"New Members Third Tier"**

Effective on their date of hire, new members will pay 50% of the normal cost, as determined by PERS.

Effective the first full pay period following Council adoption, all new members shall contribute three (3%) percent in addition to the employee paying 50% of the normal cost. These additional contributions are in accordance to the provisions of AB 340, §7522.30 and §20516.

All of the employee contributions are made on a pre-tax basis as allowed under Internal Revenue Service Code Section 414 (h) (2).

3. **Contract Amendment with PERS**

The City will submit a contract amendment to PERS requesting the three (3%) percent employee contributions effective the first full pay period following Council adoption be considered contributions to the employee's account. PERS currently requires a secret ballot election among the employees affected to change the employees' rate of contribution. The contract cannot be amended if a majority of the affected members vote to disapprove the proposed plan. In the event a secret ballot is required by State Law and the SLOCEA membership does not vote to approve the contract amendment, the additional contributions will still be required in accordance to the provisions of §20516(f). In this case the additional

contributions would not be credited to the employee's PERS account as a normal contribution.

ARTICLE 16 - INSURANCE

A. HEALTH FLEX ALLOWANCE

Employees electing medical coverage in the City's plans shall receive a health flex allowance, as defined by the Affordable Care Act ("ACA") and shall purchase such coverage through the City's Section 125 Plan "Cafeteria Plan". If the health flex allowance is less than the cost of the medical plan, the employee shall have the opportunity to pay the difference between the health flex allowance and the premium cost on a pre-tax basis through the City's Cafeteria Plan. If the premium cost for medical coverage is less than the health flex allowance, the employee shall not receive any unused health flex in the form of cash or purchase additional benefits under the Cafeteria Plan. In order to be eligible for the health flex allowance in a particular pay period, an employee will need to get paid for more than half of their regularly scheduled hours, unless the employee is on a protected leave. Less than full-time employees shall receive a prorated share of the City's contribution. The current monthly health flex allowance amount for regular, full-time employees is outlined below~~Effective the first paycheck in January 2021, the 2021 health flex allowance will be reset as shown below:~~

Level of Coverage	2018-2020 Monthly Rates 2022 Monthly Rate
Employee Only	\$550 600
Employee Only "Grandfathered Legacy" *with no cash back option	\$790
Employee Plus One	\$1,187 088
Family	\$1,472 607

Employees hired prior to September 1, 2008 ~~that are grandfathered in and that~~ elect employee only medical coverage will receive the health flex allowance listed above

for employee only "~~grandfathered legacy~~" coverage. If an employee that is receiving Employee Only or Opt Out "~~Grandfathered legacy~~" coverage changes their level of coverage, they will be eligible to return to the ~~grandfathered-legacy~~ coverage in a future year. If the premium cost for medical coverage is less than the health flex allowance, the employee shall not receive any unused health flex in the form of cash.

Effective ~~for the 2023, 2024, and 2025 premiums, December 2021 (for the January 2022 premium)~~, the City's total health flex allowance for group medical coverage shall be increased by an amount equal to one-half of the average percentage change for family coverage in the PERS health plans available in San Luis Obispo County. In any event, the City's contribution will not be decreased. For example: if three plans were available and the year-to-year changes were +10%, +20%, and -6% respectively, the City's contribution would be increased by 4% ($10\% + 20\% + -6\% \div 3 = 8\% \times 1/2$). The employee only "legacy" ~~grandfathered Legacy~~ amount will not adjust.

The City agrees to continue its contribution to the health flex allowance for two (2) pay periods in the event that an employee has exhausted all paid time off or and leave approved under the federal Family and Medical Leave Act (FMLA) and the California Family Rights Act (CFRA), whichever is sooner, due to an employee's catastrophic illness. ~~That is, the employee shall receive regular City health flex allowance for the first two (2) pay periods following the pay period in which the employee's accrued leave balances reach zero (0) or FMLA/CFRA benefits have been exhausted-vacation and sick-leave balances reach zero (0).~~

B. PERS HEALTH BENEFIT PROGRAM

The City has elected to participate in the PERS Health Benefit Program. The City shall contribute an equal amount towards the cost of medical coverage under the Public Employee's Medical and Hospital Care Act (PEMHCA) for both active employees and retirees. The City's contribution toward coverage under PEMHCA

shall be the statutory minimum contribution amount established by CalPERS on an annual basis. The City's contribution will come out of that amount the City currently contributes to employees as part of the City's Cafeteria Plan. The cost of the City's participation in PERS will not require the City to expend additional funds toward health insurance. In summary, this cost and any increases will be borne by the employees.

Health Insurance Benefits for Domestic Partners

The City has adopted a resolution electing to provide health insurance benefits to domestic partners (Section 22873 of the PEMHCA).

C. **CONDITIONAL OPT OUT**

In order to receive the conditional opt-out incentive, employees will be required to
~~Employees who at initial enrollment or during the annual open enrollment period,~~
complete an affidavit and provide proof of other minimum essential coverage for themselves and their qualified dependents (tax family) upon initial enrollment and annually thereafter. Employees are required to certify that they are not enrolled in an individual plan or in a medical plan offered under a federal marketplace or a state exchange plan. ~~that is not a qualified health plan coverage under an exchange/marketplace or an individual plan,~~ will be allowed to waive medical coverage for themselves and their qualified dependents (tax family). The monthly conditional opt-out incentives are:

Opt Out	\$200
"Grandfathered Legacy" Opt Out	\$790 (hired before September 1, 2008)

The conditional opt-out incentive shall be paid in cash (taxable income) to the employee. The employee must notify the City within 30 days of the loss of other minimum essential coverage. The conditional opt-out payment shall no longer be payable, if the employee and family members cease to be enrolled in other minimum

essential coverage. Employees on an unpaid leave of absence, will not be eligible to receive the conditional opt out payment.

Employees receiving the conditional opt-out amount will also be assessed \$16.00 per month to be placed in the Retiree Health Insurance Account. This account will be used to fund the City's contribution toward retiree premiums and the City's costs for the Public Employee's Contingency Reserve Fund and the Administrative Costs. However, there is no requirement that these funds be used exclusively for this purpose nor any guarantee that they will be sufficient to fund retiree health costs, although they will be used for negotiated employee benefits.

D. DENTAL AND VISION INSURANCE/DEPENDENT COVERAGE

Effective January 1, 2017, employee participation in the City's dental and vision plans is optional. Employees who elect coverage shall pay the dental and/or eye premium by payroll deductions on a pre-tax basis through the City's Cafeteria Plan.

E. LIFE INSURANCE AND ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D)

Employees shall pay for life insurance coverage of Fifty Thousand Dollars (\$50,000). Effective April 1, 2019, Accidental Death and Dismemberment coverage in the amount of Fifty Thousand Dollars (\$50,000) shall be paid by the employee through the City's Cafeteria Plan.

F. MEDICAL PLAN REVIEW COMMITTEE

The Association shall appoint two voting representatives to serve on a Medical Plan Review Committee. In addition, the Association may appoint one non-voting representative to provide a wider range of viewpoint for discussion. The vote of each voting representative shall be weighted according to the number of employees represented by the Association.

1. DUTIES AND OBLIGATIONS OF THE MEDICAL PLAN REVIEW COMMITTEE
 - a. Review and suggest changes for the City's Cafeteria Plan and the insurance plans offered under the MOA;
 - b. Submit to the City and its employee associations recommendations on proposed changes for the City's Cafeteria Plan and the insurance plans offered under the MOA;
 - c. Disseminate information and educate employees about the City's Cafeteria Plan and the insurance plans offered under the MOA;
 - d. Participate in other related assignments requested by the City and its employee associations.

2. MISCELLANEOUS
 - a. The actions of the Medical Plan Review Committee shall not preclude the Association and the City from meeting and conferring.
 - b. No recommendation of the Medical Plan Review Committee on matters within the scope of bargaining shall take effect before completion of meet and confer requirements between the City and Association.
 - c. If changes to the City's Cafeteria Plan, are subject to meet and confer requirements, the City and the Association agree to meet and confer in good faith.
 - d. In performing its duties, the Medical Plan Review Committee may consult independent outside experts. The City shall pay any fees incurred for this consultation, provided that the City has approved the consultation and fees in advance.

ARTICLE 17 - LONG TERM DISABILITY INSURANCE

~~Effective as soon as administratively possible following the ratification and adoption of the Successor MOA, SLOCEA will assume sole responsibility for providing and administering a plan for long term disability insurance. The City will have no role in or responsibility for determining eligibility and enrolling employees in the plan or administering its provisions. In this respect, the City's only role will be to effectuate payroll deductions for employees enrolled in the plan by SLOCEA and verified by SLOCEA to have authorized said deductions. As part of the transition of duties and responsibilities for the LTD plan, SLOCEA will be responsible for confirming or denying existing and continuing LTD plan coverage for all bargaining unit members. The City will be responsible for notifying all non-bargaining unit employees presently enrolled in the existing LTD plan regarding their eligibility for continuing to be enrolled in the plan as determined by SLOCEA. Pending adoption of these changes to Article 17, the City will maintain the status quo in administering its provisions with respect to all bargaining unit members receiving LTD benefits.~~

ARTICLE 19 - SICK LEAVE

- A. Sick leave shall be defined as absence from duty because of illness or off-the-job injury, or exposure to contagious diseases as evidenced by certification from an accepted medical authority.
- B. Rules governing sick leave:
1. Each incumbent of a ~~line-item~~ position in the bargaining unit shall accrue sick leave with pay at the rate of twelve (12) days or the prorated shift equivalent for part-time employees per year of continuous service.
 2. Sick leave may be used after the completion of the month of service in which it was earned.
 3. Sick leave shall begin with the first day of illness.
 4. Department heads shall be responsible to the City Manager for the uses of sick leave in their departments.
 5. A department head shall require written proof of illness from an authorized medical authority at the employee's expense for sick leave use in excess of five (5) consecutive ~~working~~ calendar days by personnel in their department. Such proof may be required for periods less than five (5) consecutive ~~working~~ calendar days where there exists an indication of sick leave abuse.
 6. Any employee who is absent because of sickness or other physical disability shall provide reasonable advance notification of their need to use accrued paid sick leave to their supervisor if the need for paid sick leave use is foreseeable (e.g., doctor's appointment scheduled in advance). Reasonable advance notification for this purpose is defined as three (3) workingcalendar days. If the need for paid sick leave use is unforeseeable, the employee shall provide, at a minimum, a one (1) hour advance notice to the supervisor or delegate prior to the start of the scheduled shift. ~~notify their immediate supervisor or department head as soon as possible but in any event during the first day of absence.~~ Any employee who fails to comply with this provision, without having a valid reason, will be placed on leave of absence without pay during the unexcused absence and be subject to disciplinary action.

7. Any employee absent for an extended illness or other physical disability may be required by the Human Resources Director to have an examination by the City's medical examiner, at City expense, prior to reinstatement to the City service.
8. An appointing authority, subject to approval of the Human Resources Director, may require any employee to be medically examined where reasonable cause exists to believe that an employee has a medical condition which impairs their job effectiveness or may endanger the health, safety or welfare of the employee, other employees, or the public. Employees who are judged to be physically incapable of meeting normal requirements of their positions may be placed in a classification of work for which they are suitable when a vacancy exists, or may be separated for physical disability.
9. In the event that an employee's sick leave benefits become exhausted due to illness or exposure to contagious disease, the employee shall revert to a status of leave of absence without pay and be subject to the provisions of the Personnel Rules unless eligible to participate in the City's Catastrophic Leave Policy. For continuation of medical insurance see Insurance, Article 16, Section A.
10. The right to benefits under the sick leave plan shall continue only during the period that the employee is employed by the City. This plan shall not give any employee the right to be retained in the services of the City nor any right of claim to sickness disability benefits after separation from the services of the City. ~~When an employee receives compensation under the Worker's Compensation Act of California, such compensation received shall be considered part of the salary to be paid to the employee eligible for such payments as required by state law. The amount paid by the City shall be the difference between the amount received by the employee from the City's compensation insurance coverage and the eligible employee's regular rate of pay.~~

11. Notwithstanding anything contained in this section, no employee shall be entitled to receive any payment or other compensation from the City while absent from duty by reason of injuries or disability received as a result of engaging in employment other than employment by the City for monetary gain or other compensation other than business or activity connected with their City employment.
12. Accumulation of sick leave days shall be unlimited.
13. Upon termination of employment by death or retirement the employee or beneficiary may choose: 1) a payout of the employee's accumulated sick leave balance based on years of service according to the following schedule, 2) to convert a portion or all of the employee's sick leave balance to service credit in accordance with CalPERS regulations, or, 3) a combination of these two options:
 - (a) Death - 30%
 - (b) Retirement and actual commencement of PERS benefits:
 - (1) After ten years of continuous employment - 10%
 - (2) After fifteen years of continuous employment - 15%
 - (3) After twenty years of continuous employment – 20%
 - (4) After twenty-five years of continuous employment – 25%
 - (5) After thirty years of continuous employment – 30%

ARTICLE 21 - FAMILY LEAVE

- A. An employee may take up to six (6) days (48 hours) of sick leave per year if required to be away from the job to personally care for a member of their family.
- B. An employee may take up to seven (7) days (56 hours) of sick leave per year if the family member is part of the employee's household and is hospitalized. The employee shall submit written verification of such hospitalization.
- C. For purposes of this Article, family is defined as spouse/domestic partner, child, brother, sister, parent, parent-in-law, step-parent, step-brother, step-sister, grandparent, grandchild, or any other relative as defined by Labor Code 233 and/or Assembly Bill 1522.
- D. The amounts shown in A, B, and C above are annual maximums, not maximums per qualifying family member.
- E. ~~In conjunction with existing leave benefits, employees with one year of City service who have worked at least 1250 hours in the last year, may be eligible for up to 12 weeks of Family/Medical Leave within any 12-month period. If eligible for Family/Medical Leave, employees must use all available sick, vacation, compensatory time off, and floating holiday pay prior to receiving unpaid Family/Medical Leave. Further details on Family/Medical Leave are available in the City's Family and Medical Leave Policy, in accordance with the federal Family and Medical Leave Act (FMLA) and the California Family Rights Act (CFRA) within any 12-month period. FMLA can be used for:~~
- ~~A new child through birth, adoption or foster care (maternal or paternal leave).~~
~~A seriously ill child, spouse or parent who requires hospitalization or continuing treatment by a physician.~~
~~Placement of an employee's child for adoption or foster care.~~
~~A serious health condition which makes the employee unable to perform the functions of his or her position.~~
- ~~———— This leave shall be in addition to leave available to employees under the existing four-month Pregnancy Disability Leave provided by California law. Paid leave, if used for family leave purposes or personal illness, will be subtracted from the 12 weeks allowed by FMLA/CFRA. Employees must use all available vacation, compensatory time off, floating holiday, and sick leave prior to receiving unpaid FMLA/CFRA leave. Effective March 2019, in the event an employee is~~

~~caring for a family member and is covered under FMLA/CFRA, they will be able to use all accrued sick leave to care for a family member.~~

~~Employees on FMLA/CFRA will continue to receive the City's contribution toward the cost of health insurance premiums. However, employees who receive cash back under the City's Cafeteria Plan will not receive that cash during the FMLA/CFRA. Only City group health insurance premiums will be paid by the City.~~

~~If an employee does not return to work following FMLA/CFRA leave, the City may collect from the employee the amount paid for health insurance by the City during the leave. There are two exceptions to this rule:~~

~~The continuation of a serious health condition of the employee or a covered family member prevents the return.~~

~~Circumstances beyond the employee's control~~

~~Further details on FMLA/CFRA leaves, are available through the City's Policies and Procedures on Leaves and in accordance with the law.~~

ARTICLE 22 - VACATION LEAVE

- A. Each incumbent of a 40 hour a week ~~line-item~~ position in the bargaining unit shall accrue vacation leave at the following rates for completed years of service with the City. Part-time employees will accrue a prorated amount of vacation leave.

<u>Years of Completed Service</u>	<u>Annual Vacation Accrual Days*</u>	<u>Annual Vacation Accrual Hours</u>
0 to 5 4 years	12 days	96 hours
5 to 9 10 years	15 days	120 hours
10 to 20 19 years	18 days	144 hours
20+ years	20 days	160 hours

*One vacation day is equivalent to eight (8) hours for a 40-hour per week ~~line-item~~ position in the bargaining unit

- B. An incumbent is not eligible to use accrued vacation leave until it has been accrued and approved as provided below.
- C. A regular employee who leaves the City service shall receive payment for any unused vacation leave.
- D. It is the employee's responsibility to request and use vacation leave in a manner that neither jeopardizes their vacation balance nor the efficiency of the work unit. Vacation schedules must be reviewed by management prior to the scheduled vacation. Vacation schedules will be based upon the needs of the City and then, insofar as possible, upon the wishes of the employee. Management may not deny an employee's vacation request if such denial will result in the loss of vacation accrual by the employee, except that, management may approve a two-month extension of maximum vacation accrual. In no event shall more than one such extension be granted in any calendar year.
- E. Any employee who is on approved vacation leave and becomes eligible for sick leave, as defined in Section 2.36.420 of the Municipal Code, may have such time credited as sick leave under the following conditions:

1. A physician's statement certifying that illness, injury or exposure to contagious disease has occurred is presented to the supervisor upon returning to work.
 2. The vacation leave immediately ends and the employee reports to work following the end of sick leave usage. (Ordinance No. 782 - 1978 Series).
- F. Vacation leave shall be accrued as earned through the last pay day in December, up to a maximum of twice the annual rate. ~~Effective April 2019, SLOCEA employees vacation time shall not exceed twice the annual rate. If an employee reaches the cap at any time throughout the year, the employee will stop accruing vacation leave.~~
- G. All employees in this unit are eligible, once annually in December, to request payment for up to 40 hours of unused vacation leave. Payment for unused vacation leave is subject to the availability of budgeted funds. To request payment for unused vacation leave, employees must submit an irrevocable election form to Payroll in December of each year, prior to the pay period that includes January 1 of the year the cash out is to be paid, to receive payment for accrued vacation effective on the pay period that includes January 1st of the following calendar year, subject to IRS regulations. Late irrevocable election forms will not be accepted, nor can they be changed after the deadline. The remaining unused leave shall remain in the employee's vacation accrual bank. The hours which are paid out are hours which will be accrued in following year.
- ~~G.H. All employees in this unit are eligible, once in December, to request payment for up to forty (40) hours of unused vacation leave provided that an employee's overall performance and attendance practices are satisfactory. If an employee reaches the annual accrual cap before December and is eligible for cash out as defined above, the employee will be able to request vacation payment one additional time during the calendar year, in addition to the December cash out. However, no more than 40 hours of unused vacation leave will be paid out in any calendar year. Employees must have eighty (80) hours of accrued vacation leave to be eligible for cash out in December. Upon request, vacation sellback payments shall be made by separate check.~~

ARTICLE 23 - WORKERS' COMPENSATION LEAVE

Any employee who is absent from duty because of on-the-job injury in accordance with state workers' compensation law and is not eligible for disability payments under Labor Code Section 4850 shall be paid the difference between their base salary and the amount provided by workers' compensation during the first ninety (90) business days of such temporary disability absence. Eligibility for workers' compensation leave requires an open accepted workers' compensation claim.

If an employee is eligible for Total Temporary Disability benefits after exhausting the salary continuation as defined in the paragraph above, the employee will receive such payment directly from the City's workers' compensation administrator and will only be able to supplement one-third pay with accrued leave.

For continuation of medical insurance see Insurance, Article 16, Section A.

ARTICLE 24 - WORK SCHEDULE

Employees shall be scheduled to work on regular work shifts having regular starting and quitting times. Except for emergencies, employees' work shifts shall not be changed without reasonable prior written notice to the employee and the Human Resources Director. For an ordered work shift exchange, aAt least 14 days' notice will normally be given. However, in the event 14 days cannot be given, at least seven days' notice shall be given unless in an emergency situation. ~~but in no event will less than seven days' notice be given, for an ordered work shift change.~~ Neither callback nor overtime constitutes a change in work shift. All references to accrual of vacation, holiday or sick leave in the Agreement shall be interpreted as one (1) day being equivalent to eight (8) hours.

ARTICLE 25 - PROBATION PERIOD

All new appointments to positions in the bargaining unit ~~in-line-item positions in the classified service~~ shall be subject to a probationary period of one year for the appointed position. Employees who have passed probation and are being promoted ~~Promotions or transferred~~ to line-item positions within the general unit in the classified service shall be subject to a new probationary period of six months. The probationary period may be extended or reinstated if further employee evaluation is deemed necessary for up to six months upon the written recommendation of the department head and the written approval of the Human Resources Director.

Employees not successfully passing a promotional or transfer probation or voluntarily requesting to have the promotion rescinded during the first ninety (90) calendar days of the probationary period shall be returned to their previously held position without notice or hearing. If the cause for not passing probation was sufficient grounds for dismissal, the employee shall be subject to dismissal without reinstatement to the lower position. If no vacancy exists, the name of the employee may be placed on a Reemployment List per Article 29, Layoffs, Section B.

ARTICLE 27 - AMERICANS WITH DISABILITIES ACT

~~The City and Association acknowledge the passage of the Americans with Disabilities Act. It is agreed that the City shall take all necessary actions to comply with the provisions of this Act. If necessary, sections of this Memorandum of Agreement and/or the City Personnel Rules may be suspended in order to achieve compliance.~~

ARTICLE 28 - TRANSFER

A. TRANSFER PROCESS

Upon proper notice and concurrence by the City Manager, an employee may be transferred by the appointing authority from one position to another in the same pay range provided they possess the minimum qualifications as determined by the Human Resources Director.

If the transfer involves a change from one department to another, both department heads must consent thereto unless the City Manager orders the transfer for purposes of economy and efficiency.

Unless requested by the employee, ~~t~~The employee shall be given five (5) business days' written notice of the transfer including the reason for the change.

ARTICLE 40 - PEACEFUL PERFORMANCE

- A. ~~From July 1, 2019 to June 30, 2022, the Parties agree as follows:~~ The Association shall not hinder, delay, or interfere, coerce employees of the City to hinder, delay, or interfere with the peaceful performance of City services by strike, concerted work stoppage, cessation of work, slow-down, sit-down, stay-away, or unlawful picketing.
- B. Employees shall not be locked out or prevented by management officials from performing their assigned duties when such employees are willing and able to perform such duties in the customary manner and at a reasonable level of efficiency, provided there is work to perform.

The provisions of this Article replace and supersede the no strike provisions set forth in Resolution 6620 Employer-Employee Relations Resolution.

ARTICLE 43 — PERSONNEL FILE LOG AND SECURITY

~~The City will keep a master log for each file, tracking who accessed the personnel file, on what date, duration of review, and the general purpose. If the City transitions to an electronic system, the parties agree to meet and confer over effects, including tracking who accesses the files.~~

*Recommend removing the Personnel File Log and Security Article from the MOU.

Job Title	CEA	417	419	Accounting Assistant II - CEA	Clerical CEA 5%	7.20%	6.30%	5.90%	\$ 2,052	\$ 2,161	1%	2%
ACCOUNTING ASSISTANT I	CEA	417	419	ACCOUNTING ASSISTANT II - CEA	Clerical CEA 5%	7.20%	6.30%	5.90%	\$ 2,052	\$ 2,161	1%	2%
ADMINISTRATIVE ASSISTANT I	CEA	417	419	ADMINISTRATIVE ASST II - CEA	Clerical CEA 5%	2.10%	1.10%	0.00%	\$ 2,052	\$ 2,161	4%	2%
ACCOUNTING ASSISTANT II	CEA	419	421	ACCOUNTING ASSISTANT III - CEA	Clerical CEA 5%	7.20%	6.30%	5.90%	\$ 2,161	\$ 2,276	1%	2%
ADMINISTRATIVE ASSISTANT II	CEA	419	421	ADMINISTRATIVE ASST II - CEA	Clerical CEA 5%	2.10%	1.10%	0.00%	\$ 2,161	\$ 2,276	4%	2%
MAINTENANCE WORKER I - PARKS	CEA	417	421	STREETS MAINTENANCE OPERATOR - CEA	Operations (PWI) CEA 10%	14.70%	7.00%	8.30%	\$ 2,052	\$ 2,276	4%	4%
MECHANIC HELPER	CEA	417	421	HEAVY EQUIP MECHANIC - CEA	Operations (PW) CEA 10%	8.20%	6.00%	8.40%	\$ 2,052	\$ 2,276	5%	3%
PERMIT TECHNICIAN I	CEA	419	421	BUILDING INSPECTOR II - CEA	Technical CEA 5%	6.80%	0.40%	0.00%	\$ 2,161	\$ 2,276	5%	1%
RANGER MAINTENANCE WORKER I	CEA	415	421	CODE ENFORCEMENT OFFICER I - CEA	Technical CEA 5%	9.70%	2.50%	2.90%	\$ 1,950	\$ 2,161	8%	1%
UTILITY BILLING ASSISTANT	CEA	419	421	ACCOUNTING ASSISTANT III - CEA	Clerical CEA 5%	7.20%	6.30%	5.90%	\$ 2,161	\$ 2,276	1%	2%
YOUTH SERVICES PROGRAM ASSISTANT	CEA	419	421	RECREATION SUPERVISOR - CEA	Operations (Recreation) CEA 5%	1.10%	2.10%	0.30%	\$ 2,161	\$ 2,276	3%	4%
YOUTH SERVICES PROGRAM SPECIALIST	CEA	419	421	RECREATION SUPERVISOR - CEA	Operations (Recreation) CEA 5%	1.10%	2.10%	0.30%	\$ 2,161	\$ 2,276	3%	4%
ACCOUNTING ASSISTANT III	CEA	421	423	ACCOUNTING ASSISTANT III - CEA	Clerical CEA 5% + 5% internal equity	7.20%	6.30%	5.90%	\$ 2,276	\$ 2,396	1%	2%
ADMINISTRATIVE ASSISTANT III	CEA	423	423	ADMINISTRATIVE ASST II - CEA	Clerical CEA 5%	2.10%	1.10%	0.00%	\$ 2,396	\$ 2,396	1%	2%
CODE ENFORCEMENT TECHNICIAN I	CEA	421	423	CODE ENFORCEMENT OFFICER I - CEA	Technical CEA 5%	9.70%	2.50%	2.90%	\$ 2,276	\$ 2,396	3%	4%
DEPUTY CITY CLERK I	CEA	423	423	ADMINISTRATIVE ASST II - CEA	Clerical CEA 5%	2.10%	1.10%	0.00%	\$ 2,276	\$ 2,396	1%	2%
MAINTENANCE WORKER II - PARKS	CEA	423	423	STREETS MAINTENANCE OPERATOR - CEA	Operations (PWI) CEA 10%	14.70%	7.00%	8.30%	\$ 2,276	\$ 2,396	4%	4%
PERMIT TECHNICIAN II	CEA	423	423	BUILDING INSPECTOR II - CEA	Technical CEA 5%	6.80%	0.40%	0.00%	\$ 2,396	\$ 2,396	0%	7%
RANGER MAINTENANCE WORKER II	CEA	419	423	CODE ENFORCEMENT OFFICER I - CEA	Technical CEA 5%	9.70%	2.50%	2.90%	\$ 2,161	\$ 2,396	8%	1%
TRANSIT ASSISTANT	CEA	423	423	ADMINISTRATIVE ASST II - CEA	Clerical CEA 5%	2.10%	1.10%	0.00%	\$ 2,396	\$ 2,396	1%	2%
PARKING ENFORCEMENT OFFICER I	CEA	420	424	PARKING ENFORCEMENT OFFICER I - CEA	Operations (Parking) CEA 10%	10.70%	8.60%	9.00%	\$ 2,217	\$ 2,459	7%	0%
CODE ENFORCEMENT TECHNICIAN II	CEA	423	425	CODE ENFORCEMENT OFFICER I - CEA	Technical CEA 5%	9.70%	2.50%	2.90%	\$ 2,396	\$ 2,526	3%	4%
EQUIPMENT OPERATOR	CEA	422	425	STREETS MAINTENANCE OPERATOR - CEA	Operations (PW) CEA 10%	14.70%	7.00%	8.30%	\$ 2,396	\$ 2,526	4%	4%
FINANCIAL SPECIALIST	CEA	423	425	ACCOUNTING ASSISTANT III - CEA	Operational/Technical CEA 5%	7.20%	6.30%	5.90%	\$ 2,396	\$ 2,526	1%	2%
MAINTENANCE WORKER III - PARKS	CEA	421	425	STREETS MAINTENANCE OPERATOR - CEA	Operations (PW) CEA 10%	14.70%	7.00%	8.30%	\$ 2,276	\$ 2,526	4%	4%
PARKING METER REPAIR WORKER	CEA	421	425	STREETS MAINTENANCE OPERATOR - CEA	Operations (PW) CEA 10%	14.70%	7.00%	8.30%	\$ 2,276	\$ 2,526	4%	4%
SWEEPER OPERATOR	CEA	422	425	STREETS MAINTENANCE OPERATOR - CEA	Operations (PW) CEA 10%	14.70%	7.00%	8.30%	\$ 2,318	\$ 2,526	1%	7%
ENGINEERING TECHNICIAN I	CEA	425	425	ENGINEER II - CEA	Technical (Engineering) CEA 5%	7.40%	5.70%	4.60%	\$ 2,591	\$ 2,659	2%	1%
PLANNING TECHNICIAN	CEA	423	425	ASSOCIATE PLANNER - CEA	Technical (Planning) CEA 10%	10.10%	9.30%	9.60%	\$ 2,396	\$ 2,591	1%	2%
COMMUNICATIONS COORDINATOR	CEA	426	427	ADMINISTRATIVE ASST II - CEA	Technical/Coordinator CEA 5%	2.10%	1.10%	0.00%	\$ 2,591	\$ 2,659	2%	1%
DEPUTY CITY CLERK II	CEA	426	427	ADMINISTRATIVE ASST II - CEA	Clerical CEA 5%	2.10%	1.10%	0.00%	\$ 2,591	\$ 2,659	2%	1%
PARKING ENFORCEMENT OFFICER II	CEA	423	427	PARKING ENFORCEMENT OFFICER I - CEA	Operations (Parking) CEA 10%	10.70%	8.60%	9.00%	\$ 2,396	\$ 2,659	2%	0%
RECREATION COORDINATOR	CEA	426	427	RECREATION SUPERVISOR - CEA	Operations/Coordinator (Recreation) CEA 5%	2.10%	2.10%	0.30%	\$ 2,591	\$ 2,659	1%	2%
SUPERVISING ACCOUNTING ASSISTANT	CEA	426	427	ACCOUNTING ASSISTANT III - CEA	Clerical/Supervisor CEA 5%	7.20%	6.30%	5.90%	\$ 2,591	\$ 2,659	4%	5%
SUPERVISING ADMINISTRATIVE ASSISTANT	CEA	426	427	ADMINISTRATIVE ASST II - CEA	Clerical/Supervisor CEA 5%	2.10%	1.10%	0.00%	\$ 2,591	\$ 2,659	2%	1%
SUPERVISING UTILITY BILLING ASSISTANT	CEA	426	427	ACCOUNTING ASSISTANT III - CEA	Clerical/Supervisor CEA 5%	7.20%	6.30%	5.90%	\$ 2,591	\$ 2,659	4%	5%
TOURISM COORDINATOR	CEA	426	427	ADMINISTRATIVE ASST II - CEA	Technical/Coordinator CEA 5%	2.10%	1.10%	0.00%	\$ 2,591	\$ 2,659	2%	1%
TRANSIT COORDINATOR	CEA	426	427	ADMINISTRATIVE ASST II - CEA	Technical/Coordinator CEA 5%	2.10%	1.10%	0.00%	\$ 2,591	\$ 2,659	2%	1%
ENGINEERING TECHNICIAN III	CEA	425	428	ENGINEER II - CEA	Technical (Engineering) CEA 5%	7.40%	5.70%	4.60%	\$ 2,728	\$ 2,728	2%	1%
GOAL MAINTENANCE CREW COORDINATOR	CEA	426	428	RECREATION SUPERVISOR - CEA	Operations/Coordinator (Recreation) CEA 5%	1.10%	2.10%	0.30%	\$ 2,591	\$ 2,728	3%	4%
INFORMATION TECHNOLOGY ASSISTANT	CEA	423	428	INFORMATION TECHNOLOGY SYSTEM ENGINEER - CEA	Technical/IT CEA 15%	17.90%	15.00%	14.00%	\$ 2,396	\$ 2,728	1%	4%
UNDERGROUND UTILITIES LOCATOR	CEA	423	428	INFORMATION TECHNOLOGY SYSTEM ENGINEER - CEA	Technical/IT CEA 15%	17.90%	15.00%	14.00%	\$ 2,396	\$ 2,728	1%	4%
HEAVY EQUIPMENT MECHANIC	CEA	426	430	HEAVY EQUIP MECHANIC - CEA	Operations (PW) CEA 10%	8.20%	6.00%	8.40%	\$ 2,591	\$ 2,874	5%	3%
PARKING COORDINATOR	CEA	426	430	PARKING ENFORCEMENT OFFICER I - CEA	Operations/Coordinator (Parking) CEA 10%	10.70%	8.60%	9.00%	\$ 2,591	\$ 2,874	2%	0%
ENGINEERING INSPECTOR I	CEA	430	433	ENGINEER II - CEA	Professional (Engineering) CEA 5%	7.40%	5.70%	4.60%	\$ 2,874	\$ 3,108	2%	1%
ENGINEERING TECHNICIAN II	CEA	430	433	ENGINEER II - CEA	Technical (Engineering) CEA 5%	7.40%	5.70%	4.60%	\$ 2,874	\$ 3,108	2%	1%
MAINTENANCE CONTRACT COORDINATOR	CEA	430	433	ASSOCIATE PLANNER - CEA	Technical/Coordinator (Planning) CEA 10%	10.10%	9.30%	9.60%	\$ 2,874	\$ 3,108	1%	2%
PARKS CREW COORDINATOR	CEA	451	433	STREETS MAINTENANCE OPERATOR - CEA	Operations/Coordinator (PW) CEA 10%	14.70%	7.00%	8.30%	\$ 2,805	\$ 3,108	4%	4%
STREETS CREW COORDINATOR	CEA	451	433	STREETS MAINTENANCE OPERATOR - CEA	Operations/Coordinator (PW) CEA 10%	14.70%	7.00%	8.30%	\$ 2,805	\$ 3,108	4%	4%
BUILDING INSPECTOR II	CEA	432	434	BUILDING INSPECTOR II - CEA	Technical CEA 5%	6.80%	0.40%	0.00%	\$ 3,028	\$ 3,190	3%	4%
CODE ENFORCEMENT OFFICER I	CEA	434	434	CODE ENFORCEMENT OFFICER I - CEA	Technical CEA 5%	9.70%	2.50%	2.90%	\$ 3,028	\$ 3,190	3%	4%
WATER RESOURCES TECHNICIAN	CEA	430	434	WATER TREATMENT PLANT OPERATOR (SBP) - CEA	Operations (W/WW) CEA 12%	12.40%	10.10%	12.80%	\$ 2,874	\$ 3,190	1%	1%
ENVIRONMENTAL COMPLIANCE INSPECTOR	CEA	432	435	LABORATORY ANALYST (SBP) - CEA	Professional (Lab) CEA 5%	7.60%	3.40%	7.90%	\$ 3,028	\$ 3,273	5%	0%
SIGNAL AND STREETLIGHT TECHNICIAN	CEA	430	435	INFORMATION TECHNOLOGY SYSTEM ENGINEER - CEA	Technical/IT CEA 15%	17.90%	15.00%	14.00%	\$ 2,874	\$ 3,273	1%	4%
ASSISTANT PLANNER	CEA	432	436	ASSOCIATE PLANNER - CEA	Professional (Planning) CEA 10%	10.10%	9.30%	9.60%	\$ 3,028	\$ 3,359	2%	1%
ENGINEERING INSPECTOR II	CEA	433	436	ENGINEER II - CEA	Professional (Engineering) CEA 5%	7.40%	5.70%	4.60%	\$ 3,108	\$ 3,359	2%	1%
BUILDING INSPECTOR I	CEA	435	437	BUILDING INSPECTOR II - CEA	Technical CEA 5%	6.80%	0.40%	0.00%	\$ 3,273	\$ 3,448	5%	1%
CODE ENFORCEMENT OFFICER II	CEA	435	437	CODE ENFORCEMENT OFFICER I - CEA	Technical CEA 5%	9.70%	2.50%	2.90%	\$ 3,273	\$ 3,448	5%	4%
STORMWATER CODE ENFORCEMENT OFFICER	CEA-C	435	437	CODE ENFORCEMENT OFFICER I - CEA	Technical CEA 5%	9.70%	2.50%	2.90%	\$ 3,273	\$ 3,448	5%	4%
ENGINEER I	CEA	435	438	ENGINEER II - CEA	Professional (Engineering) CEA 5%	7.40%	5.70%	4.60%	\$ 3,273	\$ 3,538	2%	1%
GIS SPECIALIST I	CEA	433	438	INFORMATION TECHNOLOGY SYSTEM ENGINEER - CEA	Technical/IT CEA 15%	17.90%	15.00%	14.00%	\$ 3,108	\$ 3,538	2%	4%
TRANSPORTATION PLANNER-ENGINEER I	CEA	435	438	ENGINEER II - CEA	Professional (Engineering) CEA 5%	7.40%	5.70%	4.60%	\$ 3,273	\$ 3,538	2%	1%
PLANS EXAMINER	CEA	437	439	BUILDING INSPECTOR II - CEA	Technical CEA 5%	6.80%	0.40%	0.00%	\$ 3,448	\$ 3,631	5%	1%
SOLID WASTE AND RECYCLING COORDINATOR	CEA	437	440	LABORATORY ANALYST (SBP) - CEA	Professional (Lab) CEA 5%	7.60%	3.40%	7.90%	\$ 3,448	\$ 3,727	5%	0%
ASSOCIATE PLANNER	CEA	437	441	ASSOCIATE PLANNER - CEA	Professional (Planning) CEA 10%	10.10%	9.30%	9.60%	\$ 3,448	\$ 3,824	2%	1%
CANNABIS BUSINESS COORDINATOR	CEA	437	441	ASSOCIATE PLANNER - CEA	Professional/Coordinator (Planning) CEA 10%	10.10%	9.30%	9.60%	\$ 3,448	\$ 3,824	2%	1%
HOUSING COORDINATOR	CEA	437	441	ASSOCIATE PLANNER - CEA	Professional/Coordinator (Planning) CEA 10%	10.10%	9.30%	9.60%	\$ 3,448	\$ 3,824	2%	1%
ENGINEER II	CEA	439	442	ENGINEER II - CEA	Professional (Engineering) CEA 5%	7.40%	5.70%	4.60%	\$ 3,631	\$ 3,926	2%	1%
ENGINEERING INSPECTOR III	CEA	439	442	ENGINEER II - CEA	Professional (Engineering) CEA 5%	7.40%	5.70%	4.60%	\$ 3,631	\$ 3,926	2%	1%
GIS SPECIALIST II	CEA	437	442	INFORMATION TECHNOLOGY SYSTEM ENGINEER - CEA	Technical/IT CEA 15%	17.90%	15.00%	14.00%	\$ 3,448	\$ 3,926	2%	4%
TRANSPORTATION PLANNER-ENGINEER II	CEA	439	442	ENGINEER II - CEA	Professional (Engineering) CEA 5%	7.40%	5.70%	4.60%	\$ 3,631	\$ 3,926	2%	1%
WATER DISTRIBUTION CHIEF OPERATOR	CEA	437	442	WATER TREATMENT PLANT OPERATOR (SBP) - CEA	Operations (W/WW) CEA 12%	12.40%	10.10%	12.80%	\$ 3,448	\$ 3,926	4%	1%
WATER RESOURCE RECOVERY FACILITY CHIEF MAINTENANCE TECHNICIAN	CEA	444	444	WATER RESOURCE RECOVERY FACILITY OPERATOR (SBP) - CEA	Operations/Lead (W/WW) CEA 12%	12.70%	10.00%	11.90%	\$ 3,678	\$ 4,134	2%	0%
WATER TREATMENT PLANT CHIEF MAINTENANCE TECHNICIAN	CEA	444	444	WATER TREATMENT PLANT OPERATOR (SBP) - CEA	Operations/Lead (W/WW) CEA 12%	12.40%	10.10%	12.80%	\$ 3,678	\$ 4,134	2%	0%
APPLICATION SYSTEMS SPECIALIST	CEA	439	445	INFORMATION TECHNOLOGY SYSTEM ENGINEER - CEA	Technical/IT CEA 15%	17.90%	15.00%	14.00%	\$ 3,631	\$ 4,243	2%	1%
CONTROL SYSTEMS ADMINISTRATOR	CEA	439	445	INFORMATION TECHNOLOGY SYSTEM ENGINEER - CEA	Technical/IT CEA 15%	17.90%	15.00%	14.00%	\$ 3,631	\$ 4,243	2%	1%
ENGINEER III	CEA	442	445	ENGINEER II - CEA	Professional (Engineering) CEA 5%	7.40%	5.70%	4.60%	\$ 3,926	\$ 4,243	2%	1%
ENGINEERING INSPECTOR IV	CEA	442	445	ENGINEER II - CEA	Professional (Engineering) CEA 5%	7.40%	5.70%	4.60%	\$ 3,926	\$ 4,243	2%	1%
ENTERPRISE SYSTEM DATABASE ADMINISTRATOR	CEA	439	445	INFORMATION TECHNOLOGY SYSTEM ENGINEER - CEA	Technical/IT CEA 15%	17.90%	15.00%	14.00%	\$ 3,631	\$ 4,243	2%	1%
INFORMATION TECHNOLOGY SYSTEM ENGINEER	CEA	439	445	INFORMATION TECHNOLOGY SYSTEM ENGINEER - CEA	Technical/IT CEA 15%	17.90%	15.00%	14.00%	\$ 3,631	\$ 4,243	2%	1%
SYSTEMS INTEGRATION ADMINISTRATOR	CEA	439	445	INFORMATION TECHNOLOGY SYSTEM ENGINEER - CEA	Technical/IT CEA 15%	17.90%	15.00%	14.00%	\$ 3,631	\$ 4,243	2%	1%
TRANSPORTATION PLANNER-ENGINEER III	CEA	442	445	ENGINEER II - CEA	Professional (Engineering) CEA 5%	7.40%	5.70%	4.60%	\$ 3,926	\$ 4,243	2%	1%
WATER RESOURCE RECOVERY FACILITY CHIEF OPERATOR	CEA	445	446	WATER RESOURCE RECOVERY FACILITY OPERATOR (SBP) - CEA	Operations/Lead (W/WW) CEA 12%	12.70%	10.00%	11.90%	\$ 3,875	\$ 4,354	2%	0%
WATER TREATMENT PLANT CHIEF OPERATOR	CEA	445	446	WATER TREATMENT PLANT OPERATOR (SBP) - CEA	Operations/Lead (W/WW) CEA 12%	12.40%	10.10%	12.80%	\$ 3,875	\$ 4,354	2%	0%
INFORMATION TECHNOLOGY SECURITY ENGINEER	CEA	441	447	INFORMATION TECHNOLOGY SYSTEM ENGINEER - CEA	Technical/IT CEA 15%	17.90%	15.00%	14.00%	\$ 4,619	\$ 5,224	2%	1%
PARKS MAINTENANCE SPECIALIST (SBP)	CEA	44										

CITY OF SAN LUIS OBISPO (CITY)
PROPOSAL TO
SLO CITY EMPLOYEES' ASSOCIATION (SLOCEA),
RE: SUCCESSOR MEMORANDUM OF UNDERSTANDING (MOU)

March 28, 2022

The City reserves the right to modify and/or add to this proposal.

The provisions contained herein are not separate proposals, but are part of a package, which must be accepted in its entirety, or it shall be deemed rejected. The proposal is in concept format; final language will be drafted as appropriate. MOU language contained in the MOU Article sections referenced below, but not changed, in this proposal shall remain unchanged. All terms of this proposal are intended to be effective following ratification by both the membership and subsequent adoption by the City Council. **This proposal is not retroactive.**

The following MOU Articles are included in the City's initial proposal dated March 28, 2022. Each open MOU Article listed below is saved as its own document.

- Article 3 - Term of Agreement
- Article 5 - Salary
- Article 6 - Overtime
- Article 7 - Standby
- Article 8 - Callback
- Article 9 - Work Out of Classification
- Article 10 - Temporary Assignment
- Article 12 - Information Technology Certification Incentives
- Article 15 - Retirement
- Article 16 - Insurance
- Article 17 - Long Term Disability Insurance
- Article 19 - Sick Leave
- Article 21 - Family Leave
- Article 22 - Vacation Leave
- Article 23 - Workers' Compensation Leave
- Article 24 - Work Schedule
- Article 25 - Probation Period
- Article 27 - Americans with Disabilities Act
- Article 28 - Transfer
- Article 40 - Peaceful Performance
- Article 42 - New Employee Orientation – AB 119
- Article 43 - Personnel File Log and Security
- Appendix B - Skills Based Pay Guidance Document

Exhibit D

APPENDIX B - SKILLS BASED PAY GUIDANCE DOCUMENT

*Recommend removing the Skills Based Pay Guidance Document from the MOU.

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 3 - TERM OF AGREEMENT

This Agreement shall become effective July 1, 2022~~19~~, except that those provisions which have specific implementation dates shall be implemented on those dates and shall remain in full force and effect until midnight June 30, 2025~~2~~.

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 6 - OVERTIME

A. CITY/CONTRACT OVERTIME

Overtime is defined as all hours ~~preauthorized by management and~~ worked by the employee in excess of forty (40) hours worked in a work week. An employee's failure to have overtime authorized by management may be subject to discipline up to and including termination.

All paid leave hours shall be counted as hours worked for purposes of calculating overtime to include Vacation, Holiday, Sick Leave and Compensatory Time Off (CTO). All overtime shall be authorized by the department head or designee prior to being compensated.

B. FLSA/STATUTORY OVERTIME

For the purpose of complying with the Fair Labor Standards Act (FLSA) overtime requirements under 29 USC Section 207(a), the City has adopted a dual calculation method whereby it calculates FLSA overtime based on all hours actually worked by overtime eligible employees in excess of 40 hours in the seven-day work period. To the extent the City's dual calculation method determines that FLSA overtime owed for the seven-day work period exceeds the amount of City/Contract overtime paid for in the same seven-day work period, the difference will be paid to the employee by way of an "FLSA Adjustment" in the following City pay period.

C. COMPENSATION

All overtime as defined in Section A of this Article shall be paid in cash at one and one half (1 1/2) the employee's base rate of pay, plus incentives as defined below in Section E, or in time off (CTO) at the rate of one and one-half (1 1/2) hours for each hour of overtime worked. All overtime shall be compensated to the nearest five (5) minutes worked.

Separate and apart from the City's contractual obligation to pay overtime in accordance with Section A above, the City is obligated to calculate and pay, at a minimum, FLSA overtime based on the federally defined regular rate of pay which includes cash in lieu in compliance with the *Flores v. City of San Gabriel* applicable to members of SLOCEA's bargaining unit. This calculation will be administered in accordance with Section B above.

D. COMPENSATORY TIME OFF (CTO)

An employee who earns City/Contract overtime as defined in Section A above may elect compensation in the form of time off (CTO). An employee may be compensated in CTO and maintain up to sixty (60) hours of CTO in their CTO account during the calendar year. Accumulated CTO may be taken through December 31st of each calendar year. Accumulated CTO not taken by midnight December 31st shall be compensated in cash at an employee's hourly rate of pay not including any incentives. Such compensation shall be paid in January of the following year.

E. PAY INCENTIVES TO BE INCLUDED IN THE BASE RATE FOR OVERTIME UNDER SECTIONS A AND B ABOVE

- Bilingual Pay
- Safety Committee Pay
- Microsoft Certified Engineer (MSCE) or VMware Certified Professional (VCP) Certifications
- Standby Pay
- Work out of Grade Pay
- Temporary Assignment Pay

F. WORK WEEK FOR CALCULATION OF OVERTIME

For all bargaining unit members working a regular 5/40 work schedule or a 4/10 alternative work schedule, the work week for the purpose of calculating overtime as defined in Sections A & B of this Article shall be seven consecutive days, beginning at 12:00 am Thursday and ending at 11:59 pm Wednesday.

For all bargaining unit members working a 9/80 alternative work schedule, the work week for the purpose of calculating overtime as defined in Section A and B of this Article shall be seven consecutive days, beginning exactly four hours into their eight-hour shift on the day of the week which constitutes their alternative regular day off.

G. OVERTIME DISPUTE RESOLUTION PROCEDURE

The City and the Association acknowledge and agree that they have met and conferred in good faith in accordance with California Government Code Section 3505 over the definition, calculation, and payment of contract overtime as defined in Section A above. The City and the Association further acknowledge and agree that Section A above establishes the full extent of the City's contractual obligations to pay overtime for services rendered within the course and scope of employment by members of the bargaining unit and that to the extent individual claims for statutory overtime under Section B above are asserted by or on behalf of any member of the bargaining unit during the term of the MOA, such claims will not present or support a claim for contract overtime under the MOA. The City and the Association further acknowledge and agree that any and all claims for statutory overtime under Section B above are expressly excluded from the grievance procedure set forth in Article 35 of the MOA.

The City and the Association further acknowledge and agree that they have met and resolved potential issues concerning back overtime related to the Flores vs. City of San Gabriel decision in the 2018-19 Memorandum of Agreement.

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 9 - WORK OUT OF CLASSIFICATION

A. OUT-OF-CLASS ASSIGNMENT

For the purposes of this article, an out-of-class assignment is the full-time performance of all the significant duties of an available, funded position in one classification by an individual in a position in another classification. An employee assigned in writing by management to work out-of-class in a position that is assigned a higher pay range and is vacant pending an examination or is vacant due to an extended sick leave, shall receive five percent (5%), ~~but in no case more than the next higher step of the higher class,~~ in addition to their regular base rate commencing on the eleventh consecutive workday on the out-of-class assignment. In order to receive out of class pay, an employee must be working in the out of class assignment and cannot~~may not~~ have a leave of absence longer than two (2) consecutive weeks, ~~unless otherwise approved otherwise.~~ ~~Employees assigned as project managers and thereby working out of classification shall receive compensation pursuant to this section.~~

The work out-of-class assignment will be evaluated after three (3) and six (6) months to determine if the assignment is still necessary, or if a recruitment should take place. If there is an operational need to have an employee work out of class more than six (6) months, the

~~Work out-of-class compensation will be evaluated after six months.~~ Out-of-class compensation will be increased to at least the first step of the higher classification and up to an additional at least five percent (5%), for a total of at least ten percent (10%) special pay, upon the recommendation of the supervisor and approval of the department head.

B. SEASONAL SUPERVISION

If, in addition to their regularly assigned employees, any employee responsible for five (5) or more supplemental (temporary) workers for a period exceeding 10 consecutive workdays shall receive additional pay of five percent (5%) commencing with the 11th day.

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 10 - TEMPORARY ASSIGNMENT

An appointing authority or designee may temporarily assign an employee to a different position for a specific period of time not to exceed 90 days, after which the employee returns to their regular duties and position from which they were regularly assigned. The temporary assignment may be extended past 90 days if agreed to by the employee in writing. Such action shall have the prior approval of the Human Resources Director or designee. An appointing authority may assign an employee to a different position for a period of time not to exceed 90 days, provided the employee has received 24 hours written notice which includes reasons for the assignment. Employees who are subject to temporary assignment shall be compensated in accordance with Article 9A. In order to receive temporary assignment pay, an employee must be working in the temporary assignment and cannot may not have a leave of absence longer than two (2) consecutive weeks, unless otherwise approved otherwise.

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 12 - INFORMATION TECHNOLOGY CERTIFICATION INCENTIVES

The following classifications are eligible to receive a \$500 monthly stipend for a Microsoft Certified Engineer (MSCE) or VMWARE Certified Professional Certification (VCP).

Employees are eligible for this incentive the first full pay period following qualification:

- Control Systems Administrator
- Information Technology Security Engineer
- Information Technology Systems Engineer

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 17 - LONG TERM DISABILITY INSURANCE

~~Effective as soon as administratively possible following the ratification and adoption of the Successor MOA, SLOCEA will assume sole responsibility for providing and administering a plan for long term disability insurance. The City will have no role in or responsibility for determining eligibility and enrolling employees in the plan or administering its provisions. In this respect, the City's only role will be to effectuate payroll deductions for employees enrolled in the plan by SLOCEA and verified by SLOCEA to have authorized said deductions. As part of the transition of duties and responsibilities for the LTD plan, SLOCEA will be responsible for confirming or denying existing and continuing LTD plan coverage for all bargaining unit members. The City will be responsible for notifying all non-bargaining unit employees presently enrolled in the existing LTD plan regarding their eligibility for continuing to be enrolled in the plan as determined by SLOCEA. Pending adoption of these changes to Article 17, the City will maintain the status quo in administering its provisions with respect to all bargaining unit members receiving LTD benefits.~~

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 19 - SICK LEAVE

- A. Sick leave shall be defined as absence from duty because of illness or off-the-job injury, or exposure to contagious diseases as evidenced by certification from an accepted medical authority.
- B. Rules governing sick leave:
1. Each incumbent of a ~~line-item~~ position in the bargaining unit shall accrue sick leave with pay at the rate of twelve (12) days or the prorated shift equivalent for part-time employees per year of continuous service.
 2. Sick leave may be used after the completion of the month of service in which it was earned.
 3. Sick leave shall begin with the first day of illness.
 4. Department heads shall be responsible to the City Manager for the uses of sick leave in their departments.
 5. A department head shall require written proof of illness from an authorized medical authority at the employee's expense for sick leave use in excess of five (5) consecutive ~~working~~ calendar working days by personnel in their department. Such proof may be required for periods less than five (5) consecutive ~~working~~ calendar working days where there exists an indication of sick leave abuse.
 6. Any employee who is absent because of sickness or other physical disability shall provide reasonable advance notification of their need to use accrued paid sick leave to their supervisor if the need for paid sick leave use is foreseeable (e.g., doctor's appointment scheduled in advance). Reasonable advance notification for this purpose is defined as three (3) workingcalendar working days. If the need for paid sick leave use is unforeseeable, the employee shallshould provide, at a minimum, a one (1) hour advance notice to the supervisor when possible or delegate prior to the start of the scheduled shift. ~~notify their immediate supervisor or department head as soon as possible but in any event during the first day of absence.~~ Any employee who fails to comply with this provision, without having a valid reason, will be placed

~~on leave of absence without pay during the unexcused absence and may
be subject to disciplinary action.~~

7. Any employee absent for an extended illness or other physical disability may be required by the Human Resources Director to have an examination by the City's medical examiner, at City expense, prior to reinstatement to the City service.
8. An appointing authority, subject to approval of the Human Resources Director, may require any employee to be medically examined where reasonable cause exists to believe that an employee has a medical condition which impairs their job effectiveness or may endanger the health, safety or welfare of the employee, other employees, or the public. Employees who are judged to be physically incapable of meeting normal requirements of their positions may be placed in a classification of work for which they are suitable when a vacancy exists, or may be separated for physical disability.
9. In the event that an employee's sick leave benefits become exhausted due to illness or exposure to contagious disease, the employee shall revert to a status of leave of absence without pay and be subject to the provisions of the Personnel Rules unless eligible to participate in the City's Catastrophic Leave Policy. For continuation of medical insurance see Insurance, Article 16, Section A.
10. The right to benefits under the sick leave plan shall continue only during the period that the employee is employed by the City. This plan shall not give any employee the right to be retained in the services of the City nor any right of claim to sickness disability benefits after separation from the services of the City. ~~When an employee receives compensation under the Worker's Compensation Act of California, such compensation received shall be considered part of the salary to be paid to the employee eligible for such payments as required by state law. The amount paid by the City shall be the difference between the amount received by the employee from the City's~~

~~compensation insurance coverage and the eligible employee's regular rate of pay.~~

11. Notwithstanding anything contained in this section, no employee shall be entitled to receive any payment or other compensation from the City while absent from duty by reason of injuries or disability received as a result of engaging in employment other than employment by the City for monetary gain or other compensation other than business or activity connected with their City employment.
12. Accumulation of sick leave days shall be unlimited.
13. Upon termination of employment by death or retirement the employee or beneficiary may choose: 1) a payout of the employee's accumulated sick leave balance based on years of service according to the following schedule, 2) to convert a portion or all of the employee's sick leave balance to service credit in accordance with CalPERS regulations, or, 3) a combination of these two options:
 - (a) Death - 30%
 - (b) Retirement and actual commencement of PERS benefits:
 - (1) After ten years of continuous employment - 10%
 - (2) After fifteen years of continuous employment - 15%
 - (3) After twenty years of continuous employment – 20%
 - (4) After twenty-five years of continuous employment – 25%
 - (5) After thirty years of continuous employment – 30%

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 21 - FAMILY LEAVE

- A. An employee may take up to six (6) days (48 hours) of sick leave per year if required to be away from the job to personally care for a member of their family.
- B. An employee may take up to seven (7) days (56 hours) of sick leave per year if the family member is part of the employee's household and is hospitalized. The employee shall submit written verification of such hospitalization.
- C. For purposes of this Article, family is defined as spouse/domestic partner, child, brother, sister, parent, parent-in-law, step-parent, step-brother, step-sister, grandparent, grandchild, or any other relative as defined by Labor Code 233 and/or Assembly Bill 1522.
- D. The amounts shown in A, B, and C above are annual maximums, not maximums per qualifying family member.
- ~~E. In conjunction with existing leave benefits, employees with one year of City service who have worked at least 1,250 hours in the last year, may be eligible for up to 12 weeks of Family/Medical Leave within any 12-month period. If eligible for Family/Medical Leave, employees must use all available sick, vacation, compensatory time off, and floating holiday pay prior to receiving unpaid Family/Medical Leave. The City maintains a separate Family and Medical Leave Act policy consistent with the City's legal obligations to provide this leave. Further details on Family/Medical Leave are available in the City's Family and Medical Leave Policy, in accordance with the federal Family and Medical Leave Act (FMLA) and the California Family Rights Act (CFRA) within any 12-month period. FMLA can be used for:~~
- ~~A new child through birth, adoption or foster care (maternal or paternal leave).~~
~~A seriously ill child, spouse or parent who requires hospitalization or continuing treatment by a physician.~~
~~Placement of an employee's child for adoption or foster care.~~
~~A serious health condition which makes the employee unable to perform the functions of his or her position.~~
~~————— This leave shall be in addition to leave available to employees under the existing four-month Pregnancy-Disability Leave provided by California law. Paid leave, if used for family leave purposes or personal illness, will be subtracted from the 12 weeks allowed by FMLA/CFRA. Employees must use all available~~

~~vacation, compensatory time off, floating holiday, and sick leave prior to receiving unpaid FMLA/CFRA leave. Effective March 2019, in the event an employee is caring for a family member and is covered under FMLA/CFRA, they will be able to use all accrued sick leave to care for a family member.~~

~~Employees on FMLA/CFRA will continue to receive the City's contribution toward the cost of health insurance premiums. However, employees who receive cash back under the City's Cafeteria Plan will not receive that cash during the FMLA/CFRA. Only City group health insurance premiums will be paid by the City.~~

~~If an employee does not return to work following FMLA/CFRA leave, the City may collect from the employee the amount paid for health insurance by the City during the leave. There are two exceptions to this rule:~~

~~The continuation of a serious health condition of the employee or a covered family member prevents the return.~~

~~Circumstances beyond the employee's control~~

~~Further details on FMLA/CFRA leaves, are available through the City's Policies and Procedures on Leaves and in accordance with the law.~~

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 22 - VACATION LEAVE

- A. Each incumbent of a 40 hour a week ~~line-item~~ position in the bargaining unit shall accrue vacation leave at the following rates for completed years of service with the City. Part-time employees will accrue a prorated amount of vacation leave.

<u>Years of Completed Service</u>	<u>Annual Vacation Accrual Days*</u>	<u>Annual Vacation Accrual Hours</u>
0 to 5 4 years	12 days	96 hours
5 to 9 10 years	15 days	120 hours
10 to 20 19 years	18 days	144 hours
20+ years	20 days	160 hours

*One vacation day is equivalent to eight (8) hours for a 40-hour per week ~~line-item~~ position, in the bargaining unit

- B. An incumbent is not eligible to use accrued vacation leave until it has been accrued and approved as provided below.
- C. A regular employee who leaves the City service shall receive payment for any unused vacation leave.
- D. It is the employee's responsibility to request and use vacation leave in a manner that neither jeopardizes their vacation balance nor the efficiency of the work unit. Vacation schedules must be reviewed by management prior to the scheduled vacation. Vacation schedules will be based upon the needs of the City and then, insofar as possible, upon the wishes of the employee. Management may not deny an employee's vacation request if such denial will result in the loss of vacation accrual by the employee, except that, management may approve a two-month extension of maximum vacation accrual. In no event shall more than one such extension be granted in any calendar year.
- E. Any employee who is on approved vacation leave and becomes eligible for sick leave, as defined in Section 2.36.420 of the Municipal Code, may have such time credited as sick leave under the following conditions:

1. A physician's statement certifying that illness, injury or exposure to contagious disease has occurred is presented to the supervisor upon returning to work.
 2. The vacation leave immediately ends and the employee reports to work following the end of sick leave usage. (Ordinance No. 782 - 1978 Series).
- F. Vacation leave shall be accrued as earned through the last pay day in December, up to a maximum of twice the annual rate. ~~Effective April 2019, SLOCEA employees vacation time shall not exceed twice the annual rate. If an employee reaches the cap at any time throughout the year, the employee will stop accruing vacation leave.~~
- G. Effective as soon as administratively possible following Council adoption, employees will be eligible for a year-for-year accelerated vacation accrual based on prior public sector experience. For example, if an employee has ten (10) years of public sector experience prior to working for the City of San Luis Obispo, their vacation accrual will be advanced by ten (10) years.
- H. All employees in this unit are eligible, once annually in December, to request payment for up to 40 hours of unused vacation leave. If an employee reaches the annual accrual cap before December the employee will be able to request vacation payment one additional time during the calendar year, in addition to the December cash out. Payment for unused vacation leave is subject to the availability of budgeted funds. To request payment for unused vacation leave, employees must submit an irrevocable election form to Payroll in December of each year, prior to the pay period that includes January 1 of the year the cash out is to be paid, to receive payment for accrued vacation effective on the pay period that includes January 1st of the following calendar year, subject to IRS regulations. Late irrevocable election forms will not be accepted, nor can they be changed after the deadline. The remaining unused leave shall remain in the employee's vacation accrual bank. The hours which are paid out are hours which will be accrued in following year.
- ~~All employees in this unit are eligible, once in December, to request payment for up to forty (40) hours of unused vacation leave provided that an employee's overall performance and attendance practices are satisfactory. If an employee reaches the~~

~~annual accrual cap before December and is eligible for cash out as defined above, the employee will be able to request vacation payment one additional time during the calendar year, in addition to the December cash out. However, no more than 40 hours of unused vacation leave will be paid out in any calendar year. Employees must have eighty (80) hours of accrued vacation leave to be eligible for cash out in December. Upon request, vacation sellback payments shall be made by separate check.~~

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 23 - WORKERS' COMPENSATION LEAVE

Any employee who is absent from duty because of on-the-job injury in accordance with state workers' compensation law and is not eligible for disability payments under Labor Code Section 4850 shall be paid the difference between their base salary and the amount provided by workers' compensation during the first ninety (90) business days of such temporary disability absence. Eligibility for workers' compensation leave requires an ~~open~~ accepted open workers' compensation claim.

If an employee is eligible for Total Temporary Disability benefits after exhausting the salary continuation as defined in the paragraph above, the employee will receive such payment directly from the City's workers' compensation administrator and will only be able to supplement one-third pay with accrued leave.

For continuation of medical insurance see Insurance, Article 16, Section A.

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 25 - PROBATION PERIOD

All new appointments ~~to positions in the bargaining unit in line-item positions in the classified service shall be subject to a probationary period of one year for the appointed position.~~ Employees who have passed probation and are being promoted Promotions or transferred ~~to line-item positions within the general unit in the classified service shall be subject to a new~~ probationary period of six months. The probationary period may be extended or reinstated if further employee evaluation is deemed necessary for up to six months upon the written recommendation of the department head and the written approval of the Human Resources Director.

Employees not successfully passing a promotional or transfer probation or voluntarily requesting to have the promotion rescinded during the first ninety (90) calendar days of the probationary period shall be returned to their previously held position without notice or hearing. If the cause for not passing probation was sufficient grounds for dismissal, the employee shall be subject to dismissal without reinstatement to the lower position. If no vacancy exists, the name of the employee may be placed on a Reemployment List per Article 29, Layoffs, Section B.

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 40 - PEACEFUL PERFORMANCE

- A. ~~From July 1, 2019 to June 30, 2022, the Parties agree as follows:~~ The Association shall not hinder, delay, or interfere, coerce employees of the City to hinder, delay, or interfere with the peaceful performance of City services by strike, concerted work stoppage, cessation of work, slow-down, sit-down, stay-away, or unlawful picketing.
- B. Employees shall not be locked out or prevented by management officials from performing their assigned duties when such employees are willing and able to perform such duties in the customary manner and at a reasonable level of efficiency, provided there is work to perform.

The provisions of this Article replace and supersede the no strike provisions set forth in Resolution 6620 Employer-Employee Relations Resolution.

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 42 – NEW EMPLOYEE ORIENTATION – AB 119 California Government Code

3555 et. seq

- A. Pursuant to California Government Code 3555 et. seq, ~~t~~The City shall provide ten (10) ~~business calendar business~~ days advance notice of new employee orientation for employees who are bargaining unit members represented by SLOCEA. Additionally, the City shall provide the name, job title, and department, contact information to include telephone number, email address and physical address of all new hires within thirty (30) days of the date of hire. The City shall update that same information for all bargaining unit members not less than every one-hundred twenty (120) days.
- B. The City typically conducts new employee orientations on the first day of the pay period ~~from 9:00-11:00 AM~~. The City shall permit SLOCEA representatives to meet with new employees in a City conference room for up to one hour, ~~following the City's orientation and will schedule a room for the association representative's use, upon request.~~
- C. ~~The City will provide notice of new employee orientations to the SLOCEA President, Vice-President and Secretary via the City's Outlook calendar software. Human Resources staff will provide written SLOCEA new employee orientation information materials to new hires as requested by SLOCEA during orientations.~~

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 43 – PERSONNEL FILE LOG AND SECURITY

~~The City will keep a master log for each file, tracking who accessed the personnel file, on what date, duration of review, and the general purpose. If the City transitions to an electronic system, the parties agree to meet and confer over effects, including tracking who accesses the files. As soon as administratively feasible, the City will transition to electronic personnel records. Pursuant to Labor Code 1198.5, employees will have access to their electronic personnel records. An employee may request a copy of a sensitive data access audit from the City's electronic personnel records system.~~

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 5 - SALARY

A. RULES GOVERNING STEP CHANGES FOR NON-SKILLS BASED PAY EMPLOYEES

The following rules shall govern step increases for employees:

- (1) The first step is the minimum rate and shall normally be the hiring rate for the class. In cases where it is difficult to secure qualified personnel, or if a person of unusual qualifications is hired, the Human Resources Director may authorize hiring at any step.
- (2) The second step is an incentive adjustment to encourage an employee to improve their work. An employee may be advanced to the second step following the completion of twelve months satisfactory service upon recommendation by the department head and the approval of the Human Resources Director.
- (3) The third step represents the middle value of the salary range and is the rate at which a fully qualified, experienced and ordinarily conscientious employee may expect to be paid after a reasonable period of satisfactory service. An employee may be advanced to the third step after completion of twelve months service at the second step, provided the advancement is recommended by the department head and approved by the Human Resources Director.
- (4) The fourth and fifth steps are to be awarded only if performance is deemed competent or above as shown on the last performance evaluation. An employee may be advanced to the fourth step after completion of one year of service at the third step provided the advancement is recommended by the department head and approved by the Human Resources Director. An employee may be advanced to the fifth step after completion of one-year service at the fourth step provided the advancement is recommended and justified in writing by the department head and approved by the Human Resources Director.
- (5) The above criteria for step increases apply except where other arrangements are authorized by the City Manager.

- (6) In applying the above rules, the next step shall be granted, other conditions having been met, on the first day of the payroll period within which the anniversary date occurs.
- (7) Should the employee's salary not be increased, it shall be the privilege of the department head and City Manager to reconsider such increase at any time during the year.
- (8) Each department head shall be authorized to reevaluate employees who reach Step 5 in their pay range. An employee who is not performing up to standard for the fifth step shall be notified in writing that the department head intends to reduce him one step unless his job performance improves to an acceptable level by the end of 60 days. Prior to the end of 60 days the department head shall again reevaluate the employee and, as part of that reevaluation, shall notify the employee if the pay reduction shall then become effective. The fifth step may be reinstated at any time upon recommendation of the department head. If the department head deems it necessary to again remove the fifth step during the same fiscal year, they may make the change at any time with three business days written notice.

B. RULES GOVERNING SKILLS BASED PAY

The guidelines for Skills Based Pay classifications are set forth in Appendix B.

C. "Y" RATING

An employee who is not performing up to established job standards for reasons including but not limited to transfer, reclassification, and performance issues may be "Y" rated, freezing their salary until such time as standards are met. The department head shall give 60 days' written notice to any employee they intend to "Y" rate, giving the employee an opportunity to correct any deficiencies. A "Y" rated employee would not receive either step increases, or salary increases granted by the City Council in a MOA resolution such as across the board cost of living increases, market equity increases, or other increases to salary. The "Y" rating procedure shall not result (then or later) in the employee being frozen below the next lower step of the new range. For

example, if an employee is at step 4 when "frozen" their salary shall not ever be less than the current step 3 by this action. The only limited exception to "Y" rating may be found in Appendix B, Skills Based Pay Guidance document.

D. COMPUTATION OF SALARY RANGE

Each salary range consists of five steps (1 through 5). Steps 1 through 4 equal 95% of the next highest step, computed to the nearest one dollar.

- Step 4 = 95% of Step 5
- Step 3 = 95% of Step 4
- Step 2 = 95% of Step 3
- Step 1 = 95% of Step 2

Each across-the-board % salary increase shall raise step 5 of range 1 by that %. Step 5 of each successive salary range will be 2.63% above step 5 of the next lower range. After all step 5's of salary ranges have been established, each biweekly step 5 shall be rounded off to the nearest \$1.00 and the remaining steps established in accordance with the above formula.

E. SALARY PROVISION FOR THE TERM OF AGREEMENT

~~The parties agree to a salary increase as set forth below to be effective on the first day of the first full payroll period following the date specified below for all unit members~~
Salary increases will be effective the first day of the first full pay period in the month listed below for all classifications:-

- ~~December 2020~~ _____ 1.5%
- ~~July 2021~~ _____ 2.5%
- Following Council adoption or July 2022 whichever is later 1.5%
- July 2023 _____ 3.0%
- July 2024 _____ 3.0%

F. MARKET EQUITY ADJUSTMENTS

In addition to the above listed salary increases, the following classifications shall receive market equity adjustments to be effective the first day of the first full pay

period following Council adoption or July 2022 whichever is later. These adjustments are based on the 2021 Benchmark Compensation Study results and are implemented in an effort to address recruitment and retention challenges:

<u>Classification Title</u>	<u>Actual % Increase</u>
<u>Accounting Assistant I</u>	<u>5.3%</u>
<u>Accounting Assistant II</u>	<u>5.3%</u>
<u>Accounting Assistant III</u>	<u>8.0%</u>
<u>Administrative Assistant I</u>	<u>5.3%</u>
<u>Administrative Assistant II</u>	<u>5.3%</u>
<u>Administrative Assistant III</u>	<u>2.6%</u>
<u>Application System Specialist</u>	<u>16.9%</u>
<u>Aquatics Coordinator</u>	<u>2.7%</u>
<u>Assistant Planner</u>	<u>10.9%</u>
<u>Associate Planner</u>	<u>10.9%</u>
<u>Building Inspector I</u>	<u>5.4%</u>
<u>Building Inspector II</u>	<u>5.3%</u>
<u>Cannabis Business Coordinator</u>	<u>10.9%</u>
<u>Code Enforcement Officer I</u>	<u>8.09%</u>
<u>Code Enforcement Officer II</u>	<u>8.1%</u>
<u>Code Enforcement Technician I</u>	<u>8.04%</u>
<u>Code Enforcement Technician II</u>	<u>8.14%</u>
<u>Communications Coordinator</u>	<u>2.6%</u>
<u>Control Systems Administrator</u>	<u>16.9%</u>
<u>Deputy City Clerk I</u>	<u>2.6%</u>
<u>Deputy City Clerk II</u>	<u>2.6%</u>
<u>Engineer I</u>	<u>8.1%</u>
<u>Engineer II</u>	<u>8.1%</u>
<u>Engineer III</u>	<u>8.1%</u>
<u>Engineering Inspector I</u>	<u>8.1%</u>
<u>Engineering Inspector II</u>	<u>8.1%</u>
<u>Engineering Inspector III</u>	<u>8.1%</u>
<u>Engineering Inspector IV</u>	<u>8.1%</u>
<u>Engineering Technician I</u>	<u>8.1%</u>
<u>Engineering Technician II</u>	<u>8.0%</u>
<u>Engineering Technician III</u>	<u>8.1%</u>

<u>Classification Title</u>	<u>Actual % Increase</u>
<u>Enterprise System Database Administrator</u>	<u>16.9%</u>
<u>Environmental Compliance Inspector</u>	<u>8.1%</u>
<u>Equipment Operator</u>	<u>10.96%</u>
<u>Facilities Maintenance Technician (SBP)</u>	<u>10.0%</u>
<u>Financial Specialist</u>	<u>5.4%</u>
<u>GIS Specialist I</u>	<u>16.83%</u>
<u>GIS Specialist II</u>	<u>16.82%</u>
<u>Golf Maintenance Crew Coordinator</u>	<u>5.3%</u>
<u>Heavy Equipment Mechanic</u>	<u>10.9%</u>
<u>Housing Coordinator</u>	<u>10.9%</u>
<u>Information Technology Assistant</u>	<u>16.9%</u>
<u>Information Technology Security Engineer</u>	<u>16.9%</u>
<u>Information Technology System Engineer</u>	<u>16.9%</u>
<u>Laboratory Analyst (SBP)</u>	<u>8.0%</u>
<u>Maintenance Contract Coordinator</u>	<u>8.1%</u>
<u>Maintenance Worker I - Parks</u>	<u>13.8%</u>
<u>Maintenance Worker II - Parks</u>	<u>13.8%</u>
<u>Maintenance Worker III - Parks</u>	<u>13.8%</u>
<u>Mechanic Helper</u>	<u>10.9%</u>
<u>Parking Coordinator</u>	<u>10.9%</u>
<u>Parking Enforcement Officer I</u>	<u>10.9%</u>
<u>Parking Enforcement Officer II</u>	<u>11.0%</u>
<u>Parking Meter Repair Worker</u>	<u>13.84%</u>
<u>Parks Crew Coordinator</u>	<u>13.73%</u>
<u>Parks Maintenance Specialist (SBP)</u>	<u>13.8%</u>
<u>Permit Technician I</u>	<u>5.3%</u>
<u>Permit Technician II</u>	<u>2.6%</u>
<u>Permit Technician III</u>	<u>2.6%</u>
<u>Planning Technician</u>	<u>8.1%</u>
<u>Plans Examiner</u>	<u>5.3%</u>
<u>Ranger Maintenance Worker I</u>	<u>16.7%</u>
<u>Ranger Maintenance Worker II</u>	<u>10.9%</u>
<u>Recreation Coordinator</u>	<u>2.6%</u>
<u>Signal and Streetlight Technician</u>	<u>13.9%</u>
<u>Solid Waste and Recycling Coordinator</u>	<u>8.1%</u>
<u>Stormwater Code Enforcement Officer</u>	<u>8.1%</u>

<u>Classification Title</u>	<u>Actual % Increase</u>
<u>Streets Crew Coordinator</u>	<u>13.73%</u>
<u>Streets Maintenance Operator (SBP)</u>	<u>13.8%</u>
<u>Supervising Accounting Assistant</u>	<u>5.29%</u>
<u>Supervising Administrative Assistant</u>	<u>2.6%</u>
<u>Supervising Utility Billing Assistant</u>	<u>5.29%</u>
<u>Sweeper Operator</u>	<u>10.96%</u>
<u>Systems Integration Administrator</u>	<u>16.9%</u>
<u>Tourism Coordinator</u>	<u>2.6%</u>
<u>Transit Assistant</u>	<u>2.6%</u>
<u>Transit Coordinator</u>	<u>2.6%</u>
<u>Transportation Planner-Engineer I</u>	<u>8.1%</u>
<u>Transportation Planner-Engineer II</u>	<u>8.1%</u>
<u>Transportation Planner-Engineer III</u>	<u>8.1%</u>
<u>Underground Utilities Locator</u>	<u>13.9%</u>
<u>Urban Forester (SBP)</u>	<u>10.0%</u>
<u>Utility Billing Assistant</u>	<u>5.3%</u>
<u>Wastewater Collection System Operator (SBP)</u>	<u>12.0%</u>
<u>Water Distribution Chief Operator</u>	<u>13.9%</u>
<u>Water Distribution System Operator (SBP)</u>	<u>12.0%</u>
<u>Water Resource Recovery Facility Chief Maintenance Technician</u>	<u>12.4%</u>
<u>Water Resource Recovery Facility Chief Operator</u>	<u>12.4%</u>
<u>Water Resource Recovery Facility Maintenance Technician (SBP)</u>	<u>12.0%</u>
<u>Water Resource Recovery Facility Operator (SBP)</u>	<u>12.0%</u>
<u>Water Resources Technician</u>	<u>11.0%</u>
<u>Water Supply Operator (SBP)</u>	<u>12.0%</u>
<u>Water Treatment Plant Chief Maintenance Technician</u>	<u>12.4%</u>
<u>Water Treatment Plant Chief Operator</u>	<u>12.4%</u>
<u>Water Treatment Plant Operator (SBP)</u>	<u>12.0%</u>
<u>Youth Services Coordinator</u>	<u>2.7%</u>
<u>Youth Services Program Assistant</u>	<u>5.3%</u>
<u>Youth Services Program Specialist</u>	<u>5.3%</u>

F. LUMP-SUM PAYMENTS

~~On December 31, 2020, the City will issue a one-time lump-sum payment of \$1,500 (less applicable taxes) to bargaining unit members who were employed by the City as of November 1, 2020.~~

~~G. COMPENSATION STUDY~~

~~The City will complete a benchmark compensation survey by February 28, 2022.~~

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 7 - STANDBY

- A. Standby duty is defined as that circumstance which requires an employee so assigned to:
- Be ready to respond immediately to a call for service;
 - Be readily available at all hours by telephone or other agreed upon- communication equipment; and
 - Refrain from activities which might impair their assigned duties upon call (including alcohol consumption).
- B. Effective the first full pay period following the adoption of this agreement by City Council, employees will receive forty-five dollars (\$45.00) for each weekday, and sixty-five dollars (\$65.00) for each weekend day and holiday of such assignment. Employees working an alternative work schedule that are assigned to standby duties and are scheduled off work on a weekday shall receive sixty-five dollars (\$65.00) weekend standby pay.
- C. For return to work as part of a standby assignment, as defined above, the City will guarantee either two (2) hours of pay in cash at straight time or pay at time and one half for time actually worked whichever is greater.

For employees that are required to physically return to work in their personal vehicle as part of a standby assignment, as defined above, the City will guarantee either three (3) hours of pay in cash at straight time or pay at time and one half for time actually worked, whichever is greater. The department head or designee has the discretion to provide a City vehicle to employees assigned to standby.

- D. The parties agree that employees on standby, as defined above, are "waiting to be engaged."

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 15 - RETIREMENT

A. PERS Contracts

1. **“Classic Members First Tier”** employees hired before December 6, 2012.

The City agrees to provide the Public Employees' Retirement System's (PERS) 2.7% at age 55 plan to all eligible employees using the highest one-year as final compensation. The 2.7% at 55 plan includes the following amendments: the 1959 Survivor's Benefit – Level Four, conversion of unused sick leave to additional retirement credit, Military Service Credit, and Pre-Retirement Optional Settlement 2 Death Benefit.

2. **“Classic Members Second Tier”** employees hired on or after December 6, 2012.

The City agrees to provide the PERS 2% at 60 plan using the highest three-year average as final compensation. The 2.0% at 60 plan includes the following amendments: the 1959 Survivor's Benefit – Level Four, conversion of unused sick leave to additional retirement credit, Military Service Credit, and Pre-Retirement Option Settlement 2 Death Benefit.

3. **“New Members Third Tier”** employees hired after January 1, 2013.

PERS determines who are “New Members” within the meaning of the California Public Employees' Pension Reform Act (PEPRA). The City will provide the PERS 2% @ 62 plan, using the highest three-year average as final compensation.

B. Member Contributions

1. **“Classic Members First and Second Tier”**

Effective the first pay period in January 2014, employees began paying the full member contribution required under the plan for first and second tier (8% and 7% respectively) employees and the City discontinued their payment of the member

contribution. For purposes of this Section, employee contributions are based on salary and special compensation as defined by PERS.

Effective the first full pay period following Council adoption, all employees shall contribute three (3%) percent in addition to the employee contribution defined in the paragraph above. These additional contributions are in accordance to the provisions of AB 340, §7522.30 and §20516.

All of the employee contributions are made on a pre-tax basis as allowed under Internal Revenue Service Code Section 414 (h) (2).

2. **"New Members Third Tier"**

Effective on their date of hire, new members will pay 50% of the normal cost, as determined by PERS.

Effective the first full pay period following Council adoption, all new members shall contribute three (3%) percent in addition to the employee paying 50% of the normal cost. These additional contributions are in accordance to the provisions of AB 340, §7522.30 and §20516.

All of the employee contributions are made on a pre-tax basis as allowed under Internal Revenue Service Code Section 414 (h) (2).

3. **Contract Amendment with PERS**

The City will submit a contract amendment to PERS requesting the three (3%) percent employee contributions effective the first full pay period following Council adoption be considered contributions to the employee's account. PERS currently requires a secret ballot election among the employees affected to change the employees' rate of contribution. The contract cannot be amended if a majority of the affected members vote to disapprove the proposed plan. In the event a secret ballot is required by State Law and the SLOCEA membership does not vote to approve the contract amendment, the additional contributions will still be required in accordance to the provisions of §20516(f). In this case the additional

contributions would not be credited to the employee's PERS account as a normal contribution.

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 16 - INSURANCE

A. HEALTH FLEX ALLOWANCE

Employees electing medical coverage in the City's plans shall receive a health flex allowance, as defined by the Affordable Care Act ("ACA") and shall purchase such coverage through the City's Section 125 Plan "Cafeteria Plan". If the health flex allowance is less than the cost of the medical plan, the employee shall have the opportunity to pay the difference between the health flex allowance and the premium cost on a pre-tax basis through the City's Cafeteria Plan. If the premium cost for medical coverage is less than the health flex allowance, the employee shall not receive any unused health flex in the form of cash or purchase additional benefits under the Cafeteria Plan. In order to be eligible for the health flex allowance in a particular pay period, an employee will need to get paid for more than half of their regularly scheduled hours, unless the employee is on a protected leave. Less than full-time employees shall receive a prorated share of the City's contribution. The current monthly health flex allowance amount for regular, full-time employees is outlined below~~Effective the first paycheck in January 2021, the 2021 health flex allowance will be reset as shown below:~~

Level of Coverage	2018-2020 Monthly Rates 2022 Monthly Rate
Employee Only	\$ 550 600
Employee Only "Grandfathered Legacy" *with no cash back option	\$790
Employee Plus One	\$1, 187 088
Family	\$1, 472 607

Employees hired prior to September 1, 2008 ~~that are grandfathered in and that~~ elect employee only medical coverage will receive the health flex allowance listed above for employee only “~~grandfathered~~legacy” coverage. If an employee that is receiving Employee Only or Opt Out “~~Grandfathered~~legacy” coverage changes their level of coverage, they will be eligible to return to the ~~grandfathered~~legacy coverage in a future year. If the premium cost for medical coverage is less than the health flex allowance, the employee shall not receive any unused health flex in the form of cash.

Effective for the 2023, 2024, and 2025 premiums, December 2021 (for the January 2022 premium), the City’s total health flex allowance for group medical coverage shall be increased by an amount equal to one-half of the average percentage change for family coverage in the PERS health plans available in San Luis Obispo County. In any event, the City’s contribution will not be decreased. For example: if three plans were available and the year-to-year changes were +10%, +20%, and -6% respectively, the City’s contribution would be increased by 4% ($10\% + 20\% + -6\% \div 3 = 8\% \times 1/2$). The employee only “legacy” ~~grandfathered~~ Legacy amount will not adjust.

The City agrees to continue its contribution to the health flex allowance for two (2) pay periods in the event that an employee has exhausted all paid time off ~~and or and~~ leave approved under the federal Family and Medical Leave Act (FMLA) and the California Family Rights Act (CFRA), whichever is sooner, due to an employee's catastrophic illness. ~~That is, the employee shall receive regular City health flex allowance for the first two (2) pay periods following the pay period in which the employee's accrued leave balances reach zero (0) or FMLA/CFRA benefits have been exhausted -vacation and sick leave balances reach zero (0).~~

B. PERS HEALTH BENEFIT PROGRAM

The City has elected to participate in the PERS Health Benefit Program. The City shall contribute an equal amount towards the cost of medical coverage under the

Public Employee's Medical and Hospital Care Act (PEMHCA) for both active employees and retirees. The City's contribution toward coverage under PEMHCA shall be the statutory minimum contribution amount established by CalPERS on an annual basis. The City's contribution will come out of that amount the City currently contributes to employees as part of the City's Cafeteria Plan. The cost of the City's participation in PERS will not require the City to expend additional funds toward health insurance. In summary, this cost and any increases will be borne by the employees.

Health Insurance Benefits for Domestic Partners

The City has adopted a resolution electing to provide health insurance benefits to domestic partners (Section 22873 of the PEMHCA).

C. CONDITIONAL OPT OUT

In order to receive the conditional opt-out incentive, employees will be required to
~~Employees who at initial enrollment or during the annual open enrollment period,~~
complete an affidavit and provide proof of other minimum essential coverage for themselves and their qualified dependents (tax family) upon initial enrollment and annually thereafter. Employees are required to certify that they are not enrolled in an individual plan or in a medical plan offered under a federal marketplace or a state exchange plan. ~~that is not a qualified health plan coverage under an exchange/marketplace or an individual plan, will be allowed to waive medical coverage for themselves and their qualified dependents (tax family).~~ The monthly conditional opt-out incentives are:

Opt Out	\$200
Grandfathered Legacy" Opt Out	\$790 (hired before September 1, 2008)

The conditional opt-out incentive shall be paid in cash (taxable income) to the employee. The employee must notify the City within 30 days of the loss of other

minimum essential coverage. The conditional opt-out payment shall no longer be payable, if the employee and family members cease to be enrolled in other minimum essential coverage. Employees on an unpaid leave of absence, will not be eligible to receive the conditional opt out payment.

Employees receiving the conditional opt-out amount will also be assessed \$16.00 per month to be placed in the Retiree Health Insurance Account. This account will be used to fund the City's contribution toward retiree premiums and the City's costs for the Public Employee's Contingency Reserve Fund and the Administrative Costs. However, there is no requirement that these funds be used exclusively for this purpose nor any guarantee that they will be sufficient to fund retiree health costs, although they will be used for negotiated employee benefits.

D. DENTAL AND VISION INSURANCE/DEPENDENT COVERAGE

Effective January 1, 2017, employee participation in the City's dental and vision plans is optional. Employees who elect coverage shall pay the dental and/or eye premium by payroll deductions on a pre-tax basis through the City's Cafeteria Plan.

E. LIFE INSURANCE AND ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D)

Employees shall pay for life insurance coverage of Fifty Thousand Dollars (\$50,000). Effective April 1, 2019, Accidental Death and Dismemberment coverage in the amount of Fifty Thousand Dollars (\$50,000) shall be paid by the employee through the City's Cafeteria Plan.

F. MEDICAL PLAN REVIEW COMMITTEE

The Association shall appoint two voting representatives to serve on a Medical Plan Review Committee. In addition, the Association may appoint one non-voting representative to provide a wider range of viewpoint for discussion. The vote of each

voting representative shall be weighted according to the number of employees represented by the Association.

1. DUTIES AND OBLIGATIONS OF THE MEDICAL PLAN REVIEW COMMITTEE

- a. Review and suggest changes for the City's Cafeteria Plan and the insurance plans offered under the MOA;
- b. Submit to the City and its employee associations recommendations on proposed changes for the City's Cafeteria Plan and the insurance plans offered under the MOA;
- c. Disseminate information and educate employees about the City's Cafeteria Plan and the insurance plans offered under the MOA;
- d. Participate in other related assignments requested by the City and its employee associations.

2. MISCELLANEOUS

- a. The actions of the Medical Plan Review Committee shall not preclude the Association and the City from meeting and conferring.
- b. No recommendation of the Medical Plan Review Committee on matters within the scope of bargaining shall take effect before completion of meet and confer requirements between the City and Association.
- c. If changes to the City's Cafeteria Plan, are subject to meet and confer requirements, the City and the Association agree to meet and confer in good faith.
- d. In performing its duties, the Medical Plan Review Committee may consult independent outside experts. The City shall pay any fees incurred for this consultation, provided that the City has approved the consultation and fees in advance.

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobbridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 33 - SAFETY PROGRAM

The City shall continue a compensation program for safety representatives on the basis that each designated safety member shall be compensated at the rate of \$10.00 per ~~month~~pay period. The description of the duties of a safety committee member shall be designed by the Human Resources Director or designee. The intent of the safety representatives is to assist the Human Resources Director and the overall safety program in reducing accidents by reporting hazardous conditions.

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobbridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 5 - SALARY

A. RULES GOVERNING STEP CHANGES FOR NON-SKILLS BASED PAY EMPLOYEES

The following rules shall govern step increases for employees:

- (1) The first step is the minimum rate and shall normally be the hiring rate for the class.
In cases where it is difficult to secure qualified personnel, or if a person of unusual qualifications is hired, the Human Resources Director may authorize hiring at any step.
- (2) The second step is an incentive adjustment to encourage an employee to improve their work. An employee may be advanced to the second step following the completion of twelve months satisfactory service upon recommendation by the department head and the approval of the Human Resources Director.
- (3) The third step represents the middle value of the salary range and is the rate at which a fully qualified, experienced and ordinarily conscientious employee may expect to be paid after a reasonable period of satisfactory service. An employee may be advanced to the third step after completion of twelve months service at the second step, provided the advancement is recommended by the department head and approved by the Human Resources Director.
- (4) The fourth and fifth steps are to be awarded only if performance is deemed competent or above as shown on the last performance evaluation. An employee may be advanced to the fourth step after completion of one year of service at the third step provided the advancement is recommended by the department head and approved by the Human Resources Director. An employee may be advanced to the fifth step after completion of one-year service at the fourth step provided the advancement is recommended and justified in writing by the department head and approved by the Human Resources Director.
- (5) The above criteria for step increases apply except where other arrangements are authorized by the City Manager.

- (6) In applying the above rules, the next step shall be granted, other conditions having been met, on the first day of the payroll period within which the anniversary date occurs.
- (7) Should the employee's salary not be increased, it shall be the privilege of the department head and City Manager to reconsider such increase at any time during the year.
- (8) Each department head shall be authorized to reevaluate employees who reach Step 5 in their pay range. An employee who is not performing up to standard for the fifth step shall be notified in writing that the department head intends to reduce him one step unless his job performance improves to an acceptable level by the end of 60 days. Prior to the end of 60 days the department head shall again reevaluate the employee and, as part of that reevaluation, shall notify the employee if the pay reduction shall then become effective. The fifth step may be reinstated at any time upon recommendation of the department head. If the department head deems it necessary to again remove the fifth step during the same fiscal year, they may make the change at any time with three business days written notice.

B. RULES GOVERNING SKILLS BASED PAY

The guidelines for Skills Based Pay classifications are set forth in Appendix B.

C. "Y" RATING

An employee who is not performing up to established job standards for reasons including but not limited to transfer, reclassification, and performance issues may be "Y" rated, freezing their salary until such time as standards are met. The department head shall give 60 days' written notice to any employee they intend to "Y" rate, giving the employee an opportunity to correct any deficiencies. A "Y" rated employee would not receive either step increases, or salary increases granted by the City Council in a MOA resolution such as across the board cost of living increases, market equity increases, or other increases to salary. The "Y" rating procedure shall not result (then or later) in the employee being frozen below the next lower step of the new range. For

example, if an employee is at step 4 when "frozen" their salary shall not ever be less than the current step 3 by this action. The only limited exception to "Y" rating may be found in Appendix B, Skills Based Pay Guidance document.

D. COMPUTATION OF SALARY RANGE

Each salary range consists of five steps (1 through 5). Steps 1 through 4 equal 95% of the next highest step, computed to the nearest one dollar.

- Step 4 = 95% of Step 5
- Step 3 = 95% of Step 4
- Step 2 = 95% of Step 3
- Step 1 = 95% of Step 2

Each across-the-board % salary increase shall raise step 5 of range 1 by that %. Step 5 of each successive salary range will be 2.63% above step 5 of the next lower range. After all step 5's of salary ranges have been established, each biweekly step 5 shall be rounded off to the nearest \$1.00 and the remaining steps established in accordance with the above formula.

E. SALARY PROVISION FOR THE TERM OF AGREEMENT

~~The parties agree to a salary increase as set forth below to be effective on the first day of the first full payroll period following the date specified below for all unit members~~
Salary increases will be effective the first day of the first full pay period in the month listed below for all classifications:-

- ~~December 2020~~ _____ 1.5%
- ~~July 2021~~ _____ 2.5%
- July 2023 _____ 1.5%
- July 2024 _____ 2.0%

F. MARKET EQUITY ADJUSTMENTS

In addition to the above listed salary increases, the following classifications shall receive market equity adjustments split out over two years. 75% of the adjustment will effective the first day of the first full pay period following Council adoption or July

2022 whichever is later, and 25% will be effective the first day of the first full pay period in July 2023. These adjustments are based on the 2021 Benchmark Compensation Study results and are implemented in an effort to address recruitment and retention challenges:

<u>Classification Title</u>	<u>Actual % Increase</u>
<u>Accounting Assistant I</u>	<u>5.3%</u>
<u>Accounting Assistant II</u>	<u>5.3%</u>
<u>Accounting Assistant III</u>	<u>8.0%</u>
<u>Administrative Assistant I</u>	<u>5.3%</u>
<u>Administrative Assistant II</u>	<u>5.3%</u>
<u>Administrative Assistant III</u>	<u>2.6%</u>
<u>Application System Specialist</u>	<u>16.9%</u>
<u>Aquatics Coordinator</u>	<u>2.7%</u>
<u>Assistant Planner</u>	<u>10.9%</u>
<u>Associate Planner</u>	<u>10.9%</u>
<u>Building Inspector I</u>	<u>5.4%</u>
<u>Building Inspector II</u>	<u>5.3%</u>
<u>Cannabis Business Coordinator</u>	<u>10.9%</u>
<u>Code Enforcement Officer I</u>	<u>5.4%</u>
<u>Code Enforcement Officer II</u>	<u>5.3%</u>
<u>Code Enforcement Technician I</u>	<u>5.3%</u>
<u>Code Enforcement Technician II</u>	<u>5.4%</u>
<u>Communications Coordinator</u>	<u>2.6%</u>
<u>Control Systems Administrator</u>	<u>16.9%</u>
<u>Deputy City Clerk I</u>	<u>2.6%</u>
<u>Deputy City Clerk II</u>	<u>2.6%</u>
<u>Engineer I</u>	<u>8.1%</u>
<u>Engineer II</u>	<u>8.1%</u>
<u>Engineer III</u>	<u>8.1%</u>
<u>Engineering Inspector I</u>	<u>8.1%</u>
<u>Engineering Inspector II</u>	<u>8.1%</u>
<u>Engineering Inspector III</u>	<u>8.1%</u>
<u>Engineering Inspector IV</u>	<u>8.1%</u>
<u>Engineering Technician I</u>	<u>8.1%</u>
<u>Engineering Technician II</u>	<u>8.0%</u>
<u>Engineering Technician III</u>	<u>8.1%</u>

<u>Classification Title</u>	<u>Actual % Increase</u>
<u>Enterprise System Database Administrator</u>	<u>16.9%</u>
<u>Environmental Compliance Inspector</u>	<u>8.1%</u>
<u>Equipment Operator</u>	<u>8.2%</u>
<u>Facilities Maintenance Technician (SBP)</u>	<u>10.0%</u>
<u>Financial Specialist</u>	<u>5.4%</u>
<u>GIS Specialist I</u>	<u>13.8%</u>
<u>GIS Specialist II</u>	<u>13.9%</u>
<u>Golf Maintenance Crew Coordinator</u>	<u>5.3%</u>
<u>Heavy Equipment Mechanic</u>	<u>10.9%</u>
<u>Housing Coordinator</u>	<u>10.9%</u>
<u>Information Technology Assistant</u>	<u>13.9%</u>
<u>Information Technology Security Engineer</u>	<u>16.9%</u>
<u>Information Technology System Engineer</u>	<u>16.9%</u>
<u>Laboratory Analyst (SBP)</u>	<u>8.0%</u>
<u>Maintenance Contract Coordinator</u>	<u>8.1%</u>
<u>Maintenance Worker I - Parks</u>	<u>10.9%</u>
<u>Maintenance Worker II - Parks</u>	<u>10.9%</u>
<u>Maintenance Worker III - Parks</u>	<u>11.0%</u>
<u>Mechanic Helper</u>	<u>10.9%</u>
<u>Parking Coordinator</u>	<u>10.9%</u>
<u>Parking Enforcement Officer I</u>	<u>10.9%</u>
<u>Parking Enforcement Officer II</u>	<u>11.0%</u>
<u>Parking Meter Repair Worker</u>	<u>11.0%</u>
<u>Parks Crew Coordinator</u>	<u>10.8%</u>
<u>Parks Maintenance Specialist (SBP)</u>	<u>10.0%</u>
<u>Permit Technician I</u>	<u>5.3%</u>
<u>Permit Technician II</u>	<u>2.6%</u>
<u>Permit Technician III</u>	<u>2.6%</u>
<u>Planning Technician</u>	<u>8.1%</u>
<u>Plans Examiner</u>	<u>5.3%</u>
<u>Ranger Maintenance Worker I</u>	<u>16.7%</u>
<u>Ranger Maintenance Worker II</u>	<u>10.9%</u>
<u>Recreation Coordinator</u>	<u>2.6%</u>
<u>Signal and Streetlight Technician</u>	<u>13.9%</u>
<u>Solid Waste and Recycling Coordinator</u>	<u>8.1%</u>
<u>Stormwater Code Enforcement Officer</u>	<u>5.3%</u>

<u>Classification Title</u>	<u>Actual % Increase</u>
<u>Streets Crew Coordinator</u>	<u>10.8%</u>
<u>Streets Maintenance Operator (SBP)</u>	<u>10.0%</u>
<u>Supervising Accounting Assistant</u>	<u>2.6%</u>
<u>Supervising Administrative Assistant</u>	<u>2.6%</u>
<u>Supervising Utility Billing Assistant</u>	<u>2.6%</u>
<u>Sweeper Operator</u>	<u>8.2%</u>
<u>Systems Integration Administrator</u>	<u>16.9%</u>
<u>Tourism Coordinator</u>	<u>2.6%</u>
<u>Transit Assistant</u>	<u>2.6%</u>
<u>Transit Coordinator</u>	<u>2.6%</u>
<u>Transportation Planner-Engineer I</u>	<u>8.1%</u>
<u>Transportation Planner-Engineer II</u>	<u>8.1%</u>
<u>Transportation Planner-Engineer III</u>	<u>8.1%</u>
<u>Underground Utilities Locator</u>	<u>13.9%</u>
<u>Urban Forester (SBP)</u>	<u>10.0%</u>
<u>Utility Billing Assistant</u>	<u>5.3%</u>
<u>Wastewater Collection System Operator (SBP)</u>	<u>12.0%</u>
<u>Water Distribution Chief Operator</u>	<u>13.9%</u>
<u>Water Distribution System Operator (SBP)</u>	<u>12.0%</u>
<u>Water Resource Recovery Facility Chief Maintenance Technician</u>	<u>12.4%</u>
<u>Water Resource Recovery Facility Chief Operator</u>	<u>12.4%</u>
<u>Water Resource Recovery Facility Maintenance Technician (SBP)</u>	<u>12.0%</u>
<u>Water Resource Recovery Facility Operator (SBP)</u>	<u>12.0%</u>
<u>Water Resources Technician</u>	<u>11.0%</u>
<u>Water Supply Operator (SBP)</u>	<u>12.0%</u>
<u>Water Treatment Plant Chief Maintenance Technician</u>	<u>12.4%</u>
<u>Water Treatment Plant Chief Operator</u>	<u>12.4%</u>
<u>Water Treatment Plant Operator (SBP)</u>	<u>12.0%</u>
<u>Youth Services Coordinator</u>	<u>2.7%</u>
<u>Youth Services Program Assistant</u>	<u>5.3%</u>
<u>Youth Services Program Specialist</u>	<u>5.3%</u>

F. LUMP-SUM PAYMENTS

~~On December 31, 2020, the City will issue a one-time lump-sum payment of \$1,500 (less applicable taxes) to bargaining unit members who were employed by the City as of November 1, 2020.~~

~~G. COMPENSATION STUDY~~

~~The City will complete a benchmark compensation survey by February 28, 2022.~~

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 7 - STANDBY

- A. Standby duty is defined as that circumstance which requires an employee so assigned to:
- Be ready to respond immediately to a call for service;
 - Be readily available at all hours by telephone or other agreed upon- communication equipment; and
 - Refrain from activities which might impair their assigned duties upon call (including alcohol consumption).
- B. Effective the first full pay period following the adoption of this agreement by City Council, employees will receive forty-five dollars (\$45.00) for each weekday, and sixty-five dollars (\$65.00) for each weekend day and holiday of such assignment. Employees working an alternative work schedule that are assigned to standby duties and are scheduled off work on a weekday shall receive sixty-five dollars (\$65.00) weekend standby pay.
- C. For return to work as part of a standby assignment, as defined above, the City will guarantee either two (2) hours of pay in cash at straight time or pay at time and one half for time actually worked whichever is greater.

For employees that are required to physically return to work in their personal vehicle as part of a standby assignment, as defined above, the City will guarantee either three (3) hours of pay in cash at straight time or pay at time and one half for time actually worked, whichever is greater. The department head or designee has the discretion to provide a City vehicle to employees assigned to standby.

- D. The parties agree that employees on standby, as defined above, are "waiting to be engaged."

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 16 - INSURANCE

A. HEALTH FLEX ALLOWANCE

Employees electing medical coverage in the City's plans shall receive a health flex allowance, as defined by the Affordable Care Act ("ACA") and shall purchase such coverage through the City's Section 125 Plan "Cafeteria Plan". If the health flex allowance is less than the cost of the medical plan, the employee shall have the opportunity to pay the difference between the health flex allowance and the premium cost on a pre-tax basis through the City's Cafeteria Plan. If the premium cost for medical coverage is less than the health flex allowance, the employee shall not receive any unused health flex in the form of cash or purchase additional benefits under the Cafeteria Plan. In order to be eligible for the health flex allowance in a particular pay period, an employee will need to get paid for more than half of their regularly scheduled hours, unless the employee is on a protected leave. Less than full-time employees shall receive a prorated share of the City's contribution. The current monthly health flex allowance amount for regular, full-time employees is outlined below~~Effective the first paycheck in January 2021, the 2021 health flex allowance will be reset as shown below:~~

Level of Coverage	2018-2020 Monthly Rates 2022 Monthly Rate
Employee Only	\$550 <u>600</u>
Employee Only "Grandfathered Legacy" *with no cash back option	\$790
Employee Plus One	\$1,187 <u>088</u>
Family	\$1,472 <u>607</u>

Employees hired prior to September 1, 2008 ~~that are grandfathered in and that~~ elect employee only medical coverage will receive the health flex allowance listed above

for employee only "grandfathered legacy" coverage. If an employee that is receiving Employee Only or Opt Out "Grandfathered legacy" coverage changes their level of coverage, they will be eligible to return to the grandfathered legacy coverage in a future year. If the premium cost for medical coverage is less than the health flex allowance, the employee shall not receive any unused health flex in the form of cash.

Effective for the 2023, 2024, and 2025 premiums, December 2021 (for the January 2022 premium), the City's total health flex allowance for group medical coverage shall be increased by an amount equal to one-half of the average percentage change for family coverage in the PERS health plans available in San Luis Obispo County. In any event, the City's contribution will not be decreased. For example: if three plans were available and the year-to-year changes were +10%, +20%, and -6% respectively, the City's contribution would be increased by 4% ($10\% + 20\% + -6\% + 3 = 8\% \times 1/2$). The employee only "legacy" grandfathered Legacy amount will not adjust.

The City agrees to continue its contribution to the health flex allowance for two (2) pay periods in the event that an employee has exhausted all paid time off and and leave approved under the federal Family and Medical Leave Act (FMLA) and the California Family Rights Act (CFRA), whichever is sooner, due to an employee's catastrophic illness. ~~That is, the employee shall receive regular City health flex allowance for the first two (2) pay periods following the pay period in which the employee's accrued leave balances reach zero (0) or FMLA/CFRA benefits have been exhausted vacation and sick leave balances reach zero (0).~~

B. PERS HEALTH BENEFIT PROGRAM

The City has elected to participate in the PERS Health Benefit Program. The City shall contribute an equal amount towards the cost of medical coverage under the Public Employee's Medical and Hospital Care Act (PEMHCA) for both active employees and retirees. The City's contribution toward coverage under PEMHCA

shall be the statutory minimum contribution amount established by CalPERS on an annual basis. The City's contribution will come out of that amount the City currently contributes to employees as part of the City's Cafeteria Plan. The cost of the City's participation in PERS will not require the City to expend additional funds toward health insurance. In summary, this cost and any increases will be borne by the employees.

Health Insurance Benefits for Domestic Partners

The City has adopted a resolution electing to provide health insurance benefits to domestic partners (Section 22873 of the PEMHCA).

C. **CONDITIONAL OPT OUT**

In order to receive the conditional opt-out incentive, employees will be required to
~~Employees who at initial enrollment or during the annual open enrollment period,~~
complete an affidavit and provide proof of other minimum essential coverage for themselves and their qualified dependents (tax family) upon initial enrollment and annually thereafter. Employees are required to certify that they are not enrolled in an individual plan or in a medical plan offered under a federal marketplace or a state exchange plan. ~~that is not a qualified health plan coverage under an exchange/marketplace or an individual plan, will be allowed to waive medical coverage for themselves and their qualified dependents (tax family).~~ The monthly conditional opt-out incentives are:

Opt Out	\$200
"Grandfathered Legacy" Opt Out	\$790 (hired before September 1, 2008)

The conditional opt-out incentive shall be paid in cash (taxable income) to the employee. The employee must notify the City within 30 days of the loss of other minimum essential coverage. The conditional opt-out payment shall no longer be payable, if the employee and family members cease to be enrolled in other minimum

essential coverage. Employees on an unpaid leave of absence, will not be eligible to receive the conditional opt out payment.

Employees receiving the conditional opt-out amount will also be assessed \$16.00 per month to be placed in the Retiree Health Insurance Account. This account will be used to fund the City's contribution toward retiree premiums and the City's costs for the Public Employee's Contingency Reserve Fund and the Administrative Costs. However, there is no requirement that these funds be used exclusively for this purpose nor any guarantee that they will be sufficient to fund retiree health costs, although they will be used for negotiated employee benefits.

D. DENTAL AND VISION INSURANCE/DEPENDENT COVERAGE

Effective January 1, 2017, employee participation in the City's dental and vision plans is optional. Employees who elect coverage shall pay the dental and/or eye premium by payroll deductions on a pre-tax basis through the City's Cafeteria Plan.

E. LIFE INSURANCE AND ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D)

Employees shall pay for life insurance coverage of Fifty Thousand Dollars (\$50,000). Effective April 1, 2019, Accidental Death and Dismemberment coverage in the amount of Fifty Thousand Dollars (\$50,000) shall be paid by the employee through the City's Cafeteria Plan.

F. MEDICAL PLAN REVIEW COMMITTEE

The Association shall appoint two voting representatives to serve on a Medical Plan Review Committee. In addition, the Association may appoint one non-voting representative to provide a wider range of viewpoint for discussion. The vote of each voting representative shall be weighted according to the number of employees represented by the Association.

1. DUTIES AND OBLIGATIONS OF THE MEDICAL PLAN REVIEW COMMITTEE
 - a. Review and suggest changes for the City's Cafeteria Plan and the insurance plans offered under the MOA;
 - b. Submit to the City and its employee associations recommendations on proposed changes for the City's Cafeteria Plan and the insurance plans offered under the MOA;
 - c. Disseminate information and educate employees about the City's Cafeteria Plan and the insurance plans offered under the MOA;
 - d. Participate in other related assignments requested by the City and its employee associations.

2. MISCELLANEOUS
 - a. The actions of the Medical Plan Review Committee shall not preclude the Association and the City from meeting and conferring.
 - b. No recommendation of the Medical Plan Review Committee on matters within the scope of bargaining shall take effect before completion of meet and confer requirements between the City and Association.
 - c. If changes to the City's Cafeteria Plan, are subject to meet and confer requirements, the City and the Association agree to meet and confer in good faith.
 - d. In performing its duties, the Medical Plan Review Committee may consult independent outside experts. The City shall pay any fees incurred for this consultation, provided that the City has approved the consultation and fees in advance.

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

ARTICLE 33 - SAFETY PROGRAM

The City shall continue a compensation program for safety representatives on the basis that each designated safety member shall be compensated at the rate of \$10.00 per month pay period. The description of the duties of a safety committee member shall be designed by the Human Resources Director or designee. The intent of the safety representatives is to assist the Human Resources Director and the overall safety program in reducing accidents by reporting hazardous conditions.

Tentative Agreement: (sign and date)

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

**CITY OF SAN LUIS OBISPO (CITY)
PROPOSAL TO
SLO CITY EMPLOYEES' ASSOCIATION (SLOCEA),
RE: SUCCESSOR MEMORANDUM OF UNDERSTANDING (MOU)**

June 1, 2022

The City reserves the right to modify and/or add to this proposal.

The City submits the following Last Best and Final Offer (LBFO) regarding the current successor MOU negotiations. The LBFO contains two distinct economic options. These two options are focused on achieving Council's Labor Relations Objectives, are in line with the City's Financial Outlook, and responsive to SLOCEA's expressed priorities. **Option 1** contains retirement cost-sharing and **Option 2** does not. The economic articles listed for each separate option (Option 1 or 2) are not separate proposals, but are part of a package, which must be accepted in its entirety, or the option shall be deemed rejected. All items tentatively agreed to remain as tentative agreements

The LBFO is in concept format; final language will be drafted as appropriate. MOU language contained in the MOU Article sections referenced below, but not changed, in this proposal shall remain unchanged. All terms of this proposal are intended to be effective following ratification by both the membership and subsequent adoption by the City Council. **This proposal is not retroactive.**

Option 1 – with Retirement Cost-Sharing

Economic Articles for Option 1

Article Number	Position / Description
Article 5 – Salary (<i>Option 1 – Including Retirement Cost-Sharing</i>)	Counter
Article 7 – Standby	Tentative Agreement - 5/24/22
Article 11 – Bilingual Pay	Hold
Article 15 – Retirement	Hold
Article 16 – Insurance	Counter
Article 33 – Safety Program	Tentative Agreement – contingent upon full economic package

Summary of Salary/Retirement Articles for Option 1

Components of Pay	Upon Adoption	Jul-23	Jul-24	Net Increase
Equity Adjustments <i>*avg incr.</i>	100%			9.2%*
COLA	1.5%	3%	3%	7.5%
Retirement Cost-Share	-3.0%	0.0%	0.0%	-3.0%

**CITY OF SAN LUIS OBISPO (CITY)
PROPOSAL TO
SLO CITY EMPLOYEES' ASSOCIATION (SLOCEA),
RE: SUCCESSOR MEMORANDUM OF UNDERSTANDING (MOU)**

June 1, 2022

The City reserves the right to modify and/or add to this proposal.

Health Insurance Cost-Sharing <i>**cost % not included for this visual</i>	Y	Y	Y	
Net Salary Increase	7.7%	3%	3%	13.7%

Option 2 – without Retirement Cost-Sharing

Economic Articles for Option 2

Article Number	Position / Description
Article 5 – Salary (<i>Option 2 – Not Including Retirement Cost-Sharing</i>)	Counter
Article 7 – Standby	Tentative Agreement - 5/24/22
Article 11 – Bilingual Pay	Hold
Article 16 – Insurance	Counter
Article 33 – Safety Program	Tentative Agreement – contingent upon full economic package

Summary of Salary Article for Option 2

Components of Pay	Upon Adoption	Jul-23	Jul-24	Net Increase
Equity Adjustments <i>*avg incr.</i>	75%	25%		8.7%*
COLA	0.0%	1.5%	2%	3.5%
Retirement Cost-Share	0.0%	0.0%	0.0%	0.0%
Health Insurance Cost-Sharing <i>**cost % not included for this visual</i>	Y	Y	Y	
Net Salary Increase	6.53%	3.67%	2.0%	12.2%

CITY OF SAN LUIS OBISPO (CITY)
PROPOSAL TO
SLO CITY EMPLOYEES' ASSOCIATION (SLOCEA),
RE: SUCCESSOR MEMORANDUM OF UNDERSTANDING (MOU)

June 1, 2022

The City reserves the right to modify and/or add to this proposal.

Option 1 & 2 Non-Economic Articles

Article	Position
Article 3 - Term of Agreement	Hold
Article 6 – Overtime	Hold / no substantive difference
Article 9 - Work Out of Classification	Counter
Article 10 - Temporary Assignment	Tentative Agreement - 5/24/22
Article 12 - Information Technology Certification Incentives	Tentative Agreement - 5/24/22
Article 17 - Long Term Disability Insurance	Tentative Agreement - 5/24/22
Article 19 - Sick Leave	Tentative Agreement - 6/1/22
Article 21 - Family Leave	Hold to 5/24/22 proposal
Article 22 - Vacation Leave	Hold to 5/24/22 proposal
Article 23 - Workers' Compensation Leave	Tentative Agreement - 6/1/22
Article 25 - Probation Period	Tentative Agreement - 5/24/22
Article 40 - Peaceful Performance	Tentative Agreement - 5/24/22
Article 42 - New Employee Orientation	Counter
Article 43 - Personnel File Log and Security	Counter
Appendix B - Skills Based Pay Guidance Document	Hold to 5/24/22 proposal

Proposed SLOCEA Equity Adjustments by Job Classification

**These are the proposed equity adjustments for the City's LBFO Option 1 and SLOCEA's Proposal 3A and 3B

Job Title	Proposed Grade	Current Biweekly Max	Proposed Biweekly Max	Proposed Percentage Increase	Proposed Biweekly Increase
ACCOUNTING ASSISTANT I	419	\$ 2,052	\$ 2,161	5.3%	\$ 109
ACCOUNTING ASSISTANT II	421	\$ 2,161	\$ 2,276	5.3%	\$ 115
ACCOUNTING ASSISTANT III	424	\$ 2,276	\$ 2,469	8.0%	\$ 183
ADMINISTRATIVE ASSISTANT I	419	\$ 2,052	\$ 2,161	5.3%	\$ 109
ADMINISTRATIVE ASSISTANT II	421	\$ 2,161	\$ 2,276	5.3%	\$ 115
ADMINISTRATIVE ASSISTANT III	424	\$ 2,396	\$ 2,459	2.6%	\$ 63
APPLICATION SYSTEM SPECIALIST	445	\$ 3,631	\$ 4,243	16.9%	\$ 612
AQUATICS COORDINATOR	431	\$ 2,874	\$ 2,951	2.7%	\$ 77
ASSISTANT PLANNER	436	\$ 3,028	\$ 3,359	10.9%	\$ 331
ASSOCIATE PLANNER	441	\$ 3,448	\$ 3,824	10.9%	\$ 376
BUILDING INSPECTOR I	434	\$ 3,028	\$ 3,190	5.4%	\$ 162
BUILDING INSPECTOR II	437	\$ 3,273	\$ 3,448	5.3%	\$ 175
CANNABIS BUSINESS COORDINATOR	441	\$ 3,448	\$ 3,824	10.9%	\$ 376
CODE ENFORCEMENT OFFICER I	436	\$ 3,028	\$ 3,273	8.1%	\$ 245
CODE ENFORCEMENT OFFICER II	438	\$ 3,273	\$ 3,538	8.1%	\$ 265
CODE ENFORCEMENT TECHNICIAN I	424	\$ 2,276	\$ 2,459	8.0%	\$ 183
CODE ENFORCEMENT TECHNICIAN II	426	\$ 2,396	\$ 2,591	8.1%	\$ 195
COMMUNICATIONS COORDINATOR	427	\$ 2,591	\$ 2,659	2.6%	\$ 68
CONTROL SYSTEMS ADMINISTRATOR	445	\$ 3,631	\$ 4,243	16.9%	\$ 612
DEPUTY CITY CLERK I	424	\$ 2,396	\$ 2,469	2.6%	\$ 63
DEPUTY CITY CLERK II	427	\$ 2,591	\$ 2,659	2.6%	\$ 68
ENGINEER I	438	\$ 3,273	\$ 3,538	8.1%	\$ 265
ENGINEER II	442	\$ 3,631	\$ 3,926	8.1%	\$ 295
ENGINEER III	445	\$ 3,926	\$ 4,243	8.1%	\$ 317
ENGINEERING INSPECTOR I	433	\$ 2,874	\$ 3,108	8.1%	\$ 234
ENGINEERING INSPECTOR II	436	\$ 3,108	\$ 3,359	8.1%	\$ 251
ENGINEERING INSPECTOR III	442	\$ 3,631	\$ 3,926	8.1%	\$ 295
ENGINEERING INSPECTOR IV	445	\$ 3,926	\$ 4,243	8.1%	\$ 317
ENGINEERING TECHNICIAN I	426	\$ 2,396	\$ 2,591	8.1%	\$ 195
ENGINEERING TECHNICIAN II	428	\$ 2,526	\$ 2,728	8.0%	\$ 202
ENGINEERING TECHNICIAN III	433	\$ 2,874	\$ 3,108	8.1%	\$ 234
ENTERPRISE SYSTEM DATABASE ADMINISTRATOR	445	\$ 3,631	\$ 4,243	16.9%	\$ 612
ENVIRONMENTAL COMPLIANCE INSPECTOR	435	\$ 3,028	\$ 3,273	8.1%	\$ 245
EQUIPMENT OPERATOR	426	\$ 2,335	\$ 2,591	11.0%	\$ 256
FACILITIES MAINTENANCE TECHNICIAN (SBP)	451	\$ 2,805	\$ 3,086	10.0%	\$ 281
FINANCIAL SPECIALIST	425	\$ 2,396	\$ 2,526	5.4%	\$ 130
GIS SPECIALIST I	439	\$ 3,108	\$ 3,631	16.8%	\$ 523
GIS SPECIALIST II	443	\$ 3,448	\$ 4,028	16.8%	\$ 580
GOLF MAINTENANCE CREW COORDINATOR	428	\$ 2,591	\$ 2,728	5.3%	\$ 137
HEAVY EQUIPMENT MECHANIC	430	\$ 2,591	\$ 2,874	10.9%	\$ 283
HOUSING COORDINATOR	441	\$ 3,448	\$ 3,824	10.9%	\$ 376
INFORMATION TECHNOLOGY ASSISTANT	429	\$ 2,396	\$ 2,801	16.9%	\$ 405
INFORMATION TECHNOLOGY SECURITY ENGINEER	447	\$ 3,824	\$ 4,489	16.9%	\$ 645
INFORMATION TECHNOLOGY SYSTEM ENGINEER	445	\$ 3,631	\$ 4,243	16.9%	\$ 612
LABORATORY ANALYST (SBP)	455	\$ 3,594	\$ 3,882	8.0%	\$ 288
MAINTENANCE CONTRACT COORDINATOR	433	\$ 2,874	\$ 3,108	8.1%	\$ 234
MAINTENANCE WORKER I - PARKS	421	\$ 2,052	\$ 2,276	10.9%	\$ 224
MAINTENANCE WORKER II - PARKS	423	\$ 2,161	\$ 2,396	10.9%	\$ 235
MAINTENANCE WORKER III - PARKS	425	\$ 2,276	\$ 2,526	11.0%	\$ 250
MECHANIC HELPER	421	\$ 2,052	\$ 2,276	10.9%	\$ 224
PARKING COORDINATOR	430	\$ 2,591	\$ 2,874	10.9%	\$ 283
PARKING ENFORCEMENT OFFICER I	424	\$ 2,217	\$ 2,459	10.9%	\$ 242
PARKING ENFORCEMENT OFFICER II	427	\$ 2,396	\$ 2,659	11.0%	\$ 263
PARKING METER REPAIR WORKER	426	\$ 2,276	\$ 2,591	13.8%	\$ 315
PARKS CREW COORDINATOR	434	\$ 2,805	\$ 3,190	13.7%	\$ 385
PARKS MAINTENANCE SPECIALIST (SBP)	451	\$ 2,805	\$ 3,086	10.0%	\$ 281
PERMIT TECHNICIAN I	421	\$ 2,161	\$ 2,276	5.3%	\$ 115
PERMIT TECHNICIAN II	424	\$ 2,396	\$ 2,459	2.6%	\$ 63
PERMIT TECHNICIAN III	428	\$ 2,659	\$ 2,728	2.6%	\$ 69
PLANNING TECHNICIAN	426	\$ 2,396	\$ 2,591	8.1%	\$ 195
PLANS EXAMINER	439	\$ 3,448	\$ 3,631	5.3%	\$ 183
RANGER MAINTENANCE WORKER I	421	\$ 1,950	\$ 2,276	16.7%	\$ 326
RANGER MAINTENANCE WORKER II	423	\$ 2,161	\$ 2,396	10.9%	\$ 235
RECREATION COORDINATOR	427	\$ 2,591	\$ 2,659	2.6%	\$ 68
SIGNAL AND STREETLIGHT TECHNICIAN	435	\$ 2,874	\$ 3,273	13.9%	\$ 399
SOLID WASTE AND RECYCLING COORDINATOR	440	\$ 3,448	\$ 3,727	8.1%	\$ 279
STREETS CREW COORDINATOR	434	\$ 2,805	\$ 3,190	13.7%	\$ 385
STREETS MAINTENANCE OPERATOR (SBP)	451	\$ 2,805	\$ 3,086	10.0%	\$ 281
SUPERVISING ACCOUNTING ASSISTANT	428	\$ 2,591	\$ 2,728	5.3%	\$ 137
SUPERVISING ADMINISTRATIVE ASSISTANT	427	\$ 2,591	\$ 2,659	2.6%	\$ 68
SUPERVISING UTILITY BILLING ASSISTANT	428	\$ 2,591	\$ 2,728	5.3%	\$ 137
SWEEPER OPERATOR	425	\$ 2,335	\$ 2,526	8.2%	\$ 191
SYSTEMS INTEGRATION ADMINISTRATOR	445	\$ 3,631	\$ 4,243	16.9%	\$ 612
TOURISM COORDINATOR	427	\$ 2,591	\$ 2,659	2.6%	\$ 68
TRANSIT ASSISTANT	424	\$ 2,396	\$ 2,459	2.6%	\$ 63
TRANSIT COORDINATOR	427	\$ 2,591	\$ 2,659	2.6%	\$ 68
TRANSPORTATION PLANNER-ENGINEER I	438	\$ 3,273	\$ 3,538	8.1%	\$ 265
TRANSPORTATION PLANNER-ENGINEER II	442	\$ 3,631	\$ 3,926	8.1%	\$ 295

Proposed SLOCEA Equity Adjustments by Job Classification

**These are the proposed equity adjustments for the City's LBFO Option 1 and SLOCEA's Proposal 3A and 3B

Job Title	Proposed Grade	Current Biweekly Max	Proposed Biweekly Max	Proposed Percentage Increase	Proposed Biweekly Increase
TRANSPORTATION PLANNER-ENGINEER III	445	\$ 3,920	\$ 4,243	8.1%	\$ 317
UNDERGROUND UTILITIES LOCATOR	428	\$ 2,396	\$ 2,728	13.9%	\$ 332
URBAN FORESTER (SBP)	461	\$ 2,806	\$ 3,086	10.0%	\$ 281
UTILITY BILLING ASSISTANT	421	\$ 2,161	\$ 2,276	5.3%	\$ 115
WASTEWATER COLLECTION SYSTEM OPERATOR (SBP)	463	\$ 3,151	\$ 3,529	12.0%	\$ 378
WATER DISTRIBUTION CHIEF OPERATOR	442	\$ 3,448	\$ 3,926	13.9%	\$ 478
WATER DISTRIBUTION SYSTEM OPERATOR (SBP)	453	\$ 3,151	\$ 3,529	12.0%	\$ 378
WATER RESOURCE RECOVERY FACILITY CHIEF MAINTENANCE TECHNICIAN	444	\$ 3,678	\$ 4,134	12.4%	\$ 456
WATER RESOURCE RECOVERY FACILITY CHIEF OPERATOR	446	\$ 3,876	\$ 4,354	12.4%	\$ 479
WATER RESOURCE RECOVERY FACILITY MAINTENANCE TECHNICIAN (SBP)	456	\$ 3,594	\$ 4,025	12.0%	\$ 431
WATER RESOURCE RECOVERY FACILITY OPERATOR (SBP)	466	\$ 3,594	\$ 4,025	12.0%	\$ 431
WATER RESOURCES TECHNICIAN	434	\$ 2,874	\$ 3,190	11.0%	\$ 316
WATER SUPPLY OPERATOR (SBP)	463	\$ 3,151	\$ 3,529	12.0%	\$ 378
WATER TREATMENT PLANT CHIEF MAINTENANCE TECHNICIAN	444	\$ 3,678	\$ 4,134	12.4%	\$ 456
WATER TREATMENT PLANT CHIEF OPERATOR	448	\$ 3,876	\$ 4,354	12.4%	\$ 479
WATER TREATMENT PLANT OPERATOR (SBP)	456	\$ 3,594	\$ 4,025	12.0%	\$ 431
YOUTH SERVICES COORDINATOR	431	\$ 2,874	\$ 2,951	2.7%	\$ 77
YOUTH SERVICES PROGRAM ASSISTANT	421	\$ 2,161	\$ 2,276	5.3%	\$ 115
YOUTH SERVICES PROGRAM SPECIALIST	421	\$ 2,161	\$ 2,276	5.3%	\$ 115

Exhibit E

‘San Luis Obispo City Employees’ Association
Negotiations Proposal #3A
To
City of San Luis Obispo Management Representatives
July 6th, 2022

SLOCEA reserves the right to modify and/or add to this proposal.

The provisions contained herein are not separate proposals, but are part of a package, which must be accepted in its entirety, or it shall be deemed rejected. This proposal is in concept format; final MOA language will be drafted as appropriate. All terms of this proposal are intended to be effective July 1, 2022, following ratification by both membership and subsequent adoption by the City Council. Parties tentatively agreed to twenty (20) non-economic issues on May 24th and June 1st, 2022, which shall remain tentative until parties’ final agreement on all economic issues. Tentative agreements are not incorporated in this proposal in the interest of clarity, however are retained as separate executed documents by parties Chief Negotiators.

Article 3 **Term of Agreement**

This Agreement shall become effective July 1, 2019–2022, except that those provisions which have specific implementation dates shall be implemented on those dates and shall remain in full force and effect until midnight June 30, 2022 ~~2025-2023~~.

Article 5 **Salary Section A - RULES GOVERNING STEP CHANGES FOR NON-SKILLS BASED PAY EMPLOYEES [07-06-2022]**

(5) Employees may advance multiple steps during a single probationary or annual performance evaluation, provided they meet the criteria for each step. Placement adjustments are recommended by the supervisor and made at the time of the employee's evaluation. Adjustments may include more than one step at each evaluation, depending on completion of step criteria. The above criteria for step increases apply except where other arrangements are authorized by the Department Head with the concurrence of the City Manager.

Article 5 **Salary Section D - Computation of Salary Range**

Each salary range consists of five steps (1 through 5). Steps 1 through 4 equal 95% of the next highest step, computed to the nearest one dollar.

Step 4 = 95% of Step 5

Step 3 = 95% of Step 4

Step 2 = 95% of Step 3

Step 1 = 95% of Step 2

Each across the board % salary increase shall raise step 5 of range 1 by that %. Step 5 of each successive salary range will be 2.63% above step 5 of the next lower range. After all step 5's of salary ranges have been established, each biweekly step 5 shall be rounded off to the nearest \$1.00 and the remaining steps established in accordance with the above formula.

Salary Section E – Salary Provision for the Term of Agreement

~~The parties agree to a salary increase as set forth below to be effective on the first day of the first full payroll period following the date specified below for all unit members. Salary increases will be effective the first day of the first full pay period in the month listed below for all classifications:~~

- ~~• December 2020 1.5%~~
- ~~• July 2021 2.5%~~
- ~~• Following Council adoption or July 2022 whichever is later 1.0%~~
- **July 2022 1.5%**
- ~~July 2023 2.5-5.26%~~
- ~~July 2024 2.5-5.26%~~

Salary Section F – Market Equity Adjustments

~~The Market Equity Adjustments Side Letter to the July 1, 2019 – June 30, 2022 Memorandum of Agreement Between the City of San Luis Obispo and the San Luis Obispo City Employees' Association shall herein be incorporated into the July 1, 2022 – June 30, 2023 Memorandum of Agreement.~~

In addition to the above listed salary increases, the following classifications shall receive market equity adjustments to be effective the first day of the first full pay period ~~following Council adoption or~~ of July 2022 ~~whichever is later~~. These adjustments are based on the 2021 Benchmark Compensation Study results and are implemented in an effort to address recruitment and retention challenges:

Classification Title	Adjusted %	# Grade Adjustments
Accounting Assistant I	5.31%	2
Accounting Assistant II	5.32%	2
Accounting Assistant III	8.04%	3
Administrative Assistant I	5.31%	2
Administrative Assistant II	5.32%	2
Administrative Assistant III	2.63%	1
Application System Specialist	16.85%	6
Aquatics Coordinator	2.68%	1
Assistant Planner	10.93%	4
Associate Planner	10.90%	4
Building Inspector I	5.35%	2
Building Inspector II	5.35%	2
Cannabis Business Coordinator	10.90%	4
Code Enforcement Officer I	8.09%	3
Code Enforcement Officer II	8.10%	3
Code Enforcement Technician I	8.04%	3
Code Enforcement Technician II	8.14%	3
Communications Coordinator	2.62%	1
Control Systems Administrator	16.85%	6
Deputy City Clerk I	2.63%	1
Deputy City Clerk II	2.62%	1
Engineer I	8.10%	3
Engineer II	8.12%	3
Engineer III	8.07%	3
Engineering Inspector I	8.14%	3
Engineering Inspector II	8.08%	3
Engineering Inspector III	8.12%	3
Engineering Inspector IV	8.07%	3
Engineering Technician I	8.14%	3
Engineering Technician II	8.00%	3
Engineering Technician III	8.14%	3
Enterprise System Database Administrator	16.85%	6
Environmental Compliance Inspector	8.09%	3
Equipment Operator	10.96%	4
Facilities Maintenance Technician (SBP)	10.02%	4
Financial Specialist	5.43%	2
GIS Specialist I	16.83%	6
GIS Specialist II	16.82%	6
Golf Maintenance Crew Coordinator	5.29%	2
Heavy Equipment Mechanic	10.92%	4

Housing Coordinator	10.90%	4
Information Technology Assistant	16.90%	6
Information Technology Security Engineer	16.87%	6
Information Technology System Engineer	16.85%	6
Laboratory Analyst (SBP)	8.01%	3
Maintenance Contract Coordinator	8.14%	3
Maintenance Worker I - Parks	10.92%	4
Maintenance Worker II - Parks	10.87%	4
Maintenance Worker III - Parks	10.98%	4
Mechanic Helper	10.92%	4
Parking Coordinator	10.92%	4
Parking Enforcement Officer I	10.92%	4
Parking Enforcement Officer II	10.98%	4
Parking Meter Repair Worker	13.84%	5
Parks Crew Coordinator	13.73%	5
Parks Maintenance Specialist (SBP)	13.80%	5
Permit Technician I	5.32%	2
Permit Technician II	2.63%	1
Permit Technician III	2.59%	1
Planning Technician	8.14%	3
Plans Examiner	5.31%	2
Ranger Maintenance Worker I	16.72%	6
Ranger Maintenance Worker II	10.87%	4
Recreation Coordinator	2.62%	1
Signal and Streetlight Technician	13.88%	5
Solid Waste and Recycling Coordinator	8.09%	3
Streets Crew Coordinator	13.73%	5
Streets Maintenance Operator (SBP)	13.80%	5
Supervising Accounting Assistant	5.29%	2
Supervising Administrative Assistant	2.62%	1
Supervising Utility Billing Assistant	5.29%	2
Sweeper Operator	8.18%	3
Systems Integration Administrator	16.85%	6
Tourism Coordinator	2.62%	1
Transit Assistant	2.63%	1
Transit Coordinator	2.62%	1
Transportation Planner-Engineer I	8.10%	3
Transportation Planner-Engineer II	8.12%	3
Transportation Planner-Engineer III	8.07%	3
Underground Utilities Locator	13.86%	5
Urban Forester (SBP)	10.02%	4
Utility Billing Assistant	5.32%	2
Wastewater Collection System Operator (SBP)	12.00%	5

Water Distribution Chief Operator	13.86%	5
Water Distribution System Operator (SBP)	12.00%	5
Water Resource Recovery Facility Chief Maintenance Technician	12.40%	5
Water Resource Recovery Facility Chief Operator	12.36%	5
Water Resource Recovery Facility Maintenance Technician (SBP)	11.99%	5
Water Resource Recovery Facility Operator (SBP)	11.99%	5
Water Resources Technician	11.00%	4
Water Supply Operator (SBP)	12.00%	5
Water Treatment Plant Chief Maintenance Technician	12.40%	5
Water Treatment Plant Chief Operator	12.36%	5
Water Treatment Plant Operator (SBP)	11.99%	5
Youth Services Coordinator	2.68%	1
Youth Services Program Assistant	5.32%	2
Youth Services Program Specialist	5.32%	2

Article 7 **Standby Section B**

Effective the first full pay period following the adoption of this agreement by City Council, employees will receive forty-five dollars (\$45) for each weekday, and sixty-five dollars (\$65) for each weekend day and holiday of such assignment. Employees working an alternative work schedule that are assigned to standby duties and are scheduled off work on a weekday shall receive sixty-five dollars (\$65) weekend standby pay.

Bargaining Unit members who are assigned mandatory standby duties more frequently than one week per calendar month shall receive two times the effective standby rate for each additional mandatory standby period worked in that calendar month.

Except as expressly modified by the terms of this tentative agreement, all existing terms and conditions of the MOA remain as provided.

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

San Luis Obispo City Employees' Association
Negotiations Proposal #3B
To
City of San Luis Obispo Management Representatives
July 6th, 2022

SLOCEA reserves the right to modify and/or add to this proposal.

The provisions contained herein are not separate proposals, but are part of a package, which must be accepted in its entirety, or it shall be deemed rejected. This proposal is in concept format; final MOA language will be drafted as appropriate. All terms of this proposal are intended to be effective July 1, 2022, following ratification by both membership and subsequent adoption by the City Council. Parties tentatively agreed to twenty (20) non-economic issues on May 24th and June 1st, 2022, which shall remain tentative until parties' final agreement on all economic issues. Tentative agreements are not incorporated in this proposal in the interest of clarity however, are retained as separate executed documents by parties Chief Negotiators.

Article 3 **Term of Agreement**

This Agreement shall become effective July 1, 2019–2022, except that those provisions which have specific implementation dates shall be implemented on those dates and shall remain in full force and effect until midnight June 30, ~~2022~~ ~~2025-2024~~.

Article 5 **Salary Section A - RULES GOVERNING STEP CHANGES FOR NON-SKILLS BASED PAY EMPLOYEES [07-06-2022]**

(5) Employees may advance multiple steps during a single probationary or annual performance evaluation, provided they meet the criteria for each step. Placement adjustments are recommended by the supervisor and made at the time of the employee's evaluation. Adjustments may include more than one step at each evaluation, depending on completion of step criteria. The above criteria for step increases apply except where other arrangements are authorized by the Department Head with the concurrence of the City Manager.

Article 5 **Salary Section D - Computation of Salary Range**

Each salary range consists of five steps (1 through 5). Steps 1 through 4 equal 95% of the next highest step, computed to the nearest one dollar.

Step 4 = 95% of Step 5

Step 3 = 95% of Step 4

Step 2 = 95% of Step 3

Step 1 = 95% of Step 2

Each across the board % salary increase shall raise step 5 of range 1 by that %. Step 5 of each successive salary range will be 2.63% above step 5 of the next lower range. After all step 5's of salary ranges have been established, each biweekly step 5 shall be rounded off to the nearest \$1.00 and the remaining steps established in accordance with the above formula.

Salary Section E – Salary Provision for the Term of Agreement

~~The parties agree to a salary increase as set forth below to be effective on the first day of the first full payroll period following the date specified below for all unit members. Salary increases will be effective the first day of the first full pay period in the month listed below for all classifications:~~

- ~~• December 2020 1.5%~~
- ~~• July 2021 2.5%~~
- ~~Following Council adoption or July 2022 whichever is later 1.0%~~
- **July 2022 1.5%**
- **July 2023 3.0%**
- ~~July 2024 2.5~~

Salary Section F – Market Equity Adjustments

~~The Market Equity Adjustments Side Letter to the July 1, 2019 – June 30, 2022 Memorandum of Agreement Between the City of San Luis Obispo and the San Luis Obispo City Employees' Association shall herein be incorporated into the July 1, 2022 – June 30, 2023 Memorandum of Agreement.~~

In addition to the above listed salary increases, the following classifications shall receive market equity adjustments distributed over two years. Any adjustment up to 8.25% will be effective the first day of the first full pay period ~~following Council adoption or of July 2022, whichever is later.~~ Any remaining percentage adjustment will be effective the first day of the first full pay period in July 2023. These

adjustments are based on the 2021 Benchmark Compensation Study results and are implemented in an effort to address recruitment and retention challenges:

Classification Title	Adjusted %	# Grade Adjustments
Accounting Assistant I	5.31%	2
Accounting Assistant II	5.32%	2
Accounting Assistant III	8.04%	3
Administrative Assistant I	5.31%	2
Administrative Assistant II	5.32%	2
Administrative Assistant III	2.63%	1
Application System Specialist	16.85%	6
Aquatics Coordinator	2.68%	1
Assistant Planner	10.93%	4
Associate Planner	10.90%	4
Building Inspector I	5.35%	2
Building Inspector II	5.35%	2
Cannabis Business Coordinator	10.90%	4
Code Enforcement Officer I	8.09%	3
Code Enforcement Officer II	8.10%	3
Code Enforcement Technician I	8.04%	3
Code Enforcement Technician II	8.14%	3
Communications Coordinator	2.62%	1
Control Systems Administrator	16.85%	6
Deputy City Clerk I	2.63%	1
Deputy City Clerk II	2.62%	1
Engineer I	8.10%	3
Engineer II	8.12%	3
Engineer III	8.07%	3
Engineering Inspector I	8.14%	3
Engineering Inspector II	8.08%	3
Engineering Inspector III	8.12%	3
Engineering Inspector IV	8.07%	3
Engineering Technician I	8.14%	3
Engineering Technician II	8.00%	3
Engineering Technician III	8.14%	3
Enterprise System Database Administrator	16.85%	6
Environmental Compliance Inspector	8.09%	3
Equipment Operator	10.96%	4
Facilities Maintenance Technician (SBP)	10.02%	4
Financial Specialist	5.43%	2
GIS Specialist I	16.83%	6

GIS Specialist II	16.82%	6
Golf Maintenance Crew Coordinator	5.29%	2
Heavy Equipment Mechanic	10.92%	4
Housing Coordinator	10.90%	4
Information Technology Assistant	16.90%	6
Information Technology Security Engineer	16.87%	6
Information Technology System Engineer	16.85%	6
Laboratory Analyst (SBP)	8.01%	3
Maintenance Contract Coordinator	8.14%	3
Maintenance Worker I - Parks	10.92%	4
Maintenance Worker II - Parks	10.87%	4
Maintenance Worker III - Parks	10.98%	4
Mechanic Helper	10.92%	4
Parking Coordinator	10.92%	4
Parking Enforcement Officer I	10.92%	4
Parking Enforcement Officer II	10.98%	4
Parking Meter Repair Worker	13.84%	5
Parks Crew Coordinator	13.73%	5
Parks Maintenance Specialist (SBP)	13.80%	5
Permit Technician I	5.32%	2
Permit Technician II	2.63%	1
Permit Technician III	2.59%	1
Planning Technician	8.14%	3
Plans Examiner	5.31%	2
Ranger Maintenance Worker I	16.72%	6
Ranger Maintenance Worker II	10.87%	4
Recreation Coordinator	2.62%	1
Signal and Streetlight Technician	13.88%	5
Solid Waste and Recycling Coordinator	8.09%	3
Streets Crew Coordinator	13.73%	5
Streets Maintenance Operator (SBP)	13.80%	5
Supervising Accounting Assistant	5.29%	2
Supervising Administrative Assistant	2.62%	1
Supervising Utility Billing Assistant	5.29%	2
Sweeper Operator	8.18%	3
Systems Integration Administrator	16.85%	6
Tourism Coordinator	2.62%	1
Transit Assistant	2.63%	1
Transit Coordinator	2.62%	1
Transportation Planner-Engineer I	8.10%	3
Transportation Planner-Engineer II	8.12%	3
Transportation Planner-Engineer III	8.07%	3
Underground Utilities Locator	13.86%	5

Urban Forester (SBP)	10.02%	4
Utility Billing Assistant	5.32%	2
Wastewater Collection System Operator (SBP)	12.00%	5
Water Distribution Chief Operator	13.86%	5
Water Distribution System Operator (SBP)	12.00%	5
Water Resource Recovery Facility Chief Maintenance Technician	12.40%	5
Water Resource Recovery Facility Chief Operator	12.36%	5
Water Resource Recovery Facility Maintenance Technician (SBP)	11.99%	5
Water Resource Recovery Facility Operator (SBP)	11.99%	5
Water Resources Technician	11.00%	4
Water Supply Operator (SBP)	12.00%	5
Water Treatment Plant Chief Maintenance Technician	12.40%	5
Water Treatment Plant Chief Operator	12.36%	5
Water Treatment Plant Operator (SBP)	11.99%	5
Youth Services Coordinator	2.68%	1
Youth Services Program Assistant	5.32%	2
Youth Services Program Specialist	5.32%	2

Article 7 **Standby Section B**

Effective the first full pay period following the adoption of this agreement by City Council, employees will receive forty-five dollars (\$45) for each weekday, and sixty-five dollars (\$65) for each weekend day and holiday of such assignment. Employees working an alternative work schedule that are assigned to standby duties and are scheduled off work on a weekday shall receive sixty-five dollars (\$65) weekend standby pay.

Bargaining Unit members who are assigned mandatory standby duties more frequently than one week per calendar month shall receive two times the effective standby rate for each additional mandatory standby period worked in that calendar month.

Except as expressly modified by the terms of this tentative agreement, all existing terms and conditions of the MOA remain as provided.

Che Johnson, Chief Negotiator

Dale E. Strobridge, Chief Negotiator

Nickole Domini, Human Resources Director

Ryan Dale, SLOCEA President

Exhibit F

Angie Work

From: Domini, Nickole <ndomini@slocity.org>
Sent: Thursday, July 7, 2022 8:01 AM
To: Domini, Nickole; Roltgen, Brittani; Andrews, Jeff
Subject: SLOCEA Negotiations Update - 7/7/2022

Bcc: All City Employees and SLOCEA negotiating team

As you may be aware, the City and SLOCEA have been negotiating since March 2022 in an effort to reach agreement on a successor contract to provide increases for all SLOCEA employees. Unfortunately, the City declared 'impasse' with SLOCEA yesterday as the parties are at a standstill on the economic components of the contract.

The City provided a Last, Best, and Final Offer on June 1st offering an average salary increase of 14.36% over the course of a three-year agreement. At the end of the proposed three-year deal, this is an additional \$2.5 million in ongoing/annual salary and benefit costs. SLOCEA's current proposal, provided July 6, 2022, is outside the direction provided by the City Council and not aligned with Council-adopted Labor Relations Objectives or the adopted budget.

In an effort to be transparent and educate employees on the labor negotiations process, a [SharePoint page](#) has been developed. This page includes a summary of the labor negotiations process, a side-by-side of the parties' proposals, examples of the proposed equity adjustments, and more. After your review and if you have any questions, please reach out to one of the City's negotiating team members: @Domini, Nickole, @Roltgen, Brittani, or @Andrews, Jeff.

The City remains motivated to reach agreement so a successor Memorandum of Understanding can be implemented for SLOCEA employees as soon as possible.

Best,

Nickole Domini
pronouns she/her/hers
Human Resources Director



**CITY OF
SAN LUIS OBISPO**

Human Resources
990 Palm Street, San Luis Obispo, CA 93401-3249
E ndomini@slocity.org
T 805.781.7251
C 805.431.4471
slocity.org



Stay connected with the City by signing up for [e-notifications](#)

PROOF OF SERVICE

I declare that I am a resident of or employed in the County of Fresno,
State of California. I am over the age of 18 years. The name and address of my
Residence or business is 5250 N. Palm, Suite 310, Fresno, CA 93704

On Oct. 31, 2022, I served the City's Response and
(Date) (Description of document(s))

Position Statement in Case No. LA-CE-1602-M
(Description of document(s) continued) PERB Case No., if known)

on the parties listed below by (check the applicable method(s)):

- placing a true copy thereof enclosed in a sealed envelope for collection and delivery by the United States Postal Service or private delivery service following ordinary business practices with postage or other costs prepaid;
- personal delivery;
- electronic service - I served a copy of the above-listed document(s) by transmitting via electronic mail (e-mail) or via e-PERB to the electronic service address(es) listed below on the date indicated. (May be used only if the party being served has filed and served a notice consenting to electronic service or has electronically filed a document with the Board. See PERB Regulation 32140(b).)

(Include here the name, address and/or e-mail address of the Respondent and/or any other parties served.)
Law Office of Tracy J. Jones
4032 Valeta St., #330
San Diego, CA
tracy@joneslaborfirm.com

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration was executed on 10/31/2022,
(Date)
at Fresno, CA
(City) (State)

Constance G. Dewey

(Type or print name)



(Signature)