

City of
SACRAMENTO

and

**International Union of Operating
Engineers,
Stationary Engineers, Local 39**

Labor Agreement

**Covering All Employees In The Plant
Operator Unit**

2025-2028

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
PREAMBLE	1
ARTICLE 1 – RECOGNITION.....	1
1.1 RECOGNITION	1
1.2 EMPLOYEES COVERED BY THIS AGREEMENT	1
1.3 CAREER DEVELOPMENT TRAINEES	2
ARTICLE 2 – SOLE AGREEMENT	2
2.1 SOLE AGREEMENT	2
ARTICLE 3 – CITY RIGHTS	2
3.1 CITY RIGHTS.....	2
ARTICLE 4 – UNION RIGHTS	3
4.1 PAYROLL DEDUCTIONS	3
4.2 UNION STEWARDS	5
4.3 LIST OF NEW EMPLOYEES AND ELIGIBLE LISTS	5
4.4 USE OF CITY INFORMATION SYSTEMS	5
4.5 BULLETIN BOARDS	6
4.6 NEW EMPLOYEE ORIENTATION	6
ARTICLE 5 – GRIEVANCE PROCEDURE	7
5.1 GRIEVANCE PROCEDURE	7
5.2 PURPOSE.....	8
5.3 DEFINITIONS.....	8
5.4 TIME LIMITS	8
5.5 PRESENTATION	8
5.6 EMPLOYEE RIGHTS	8
5.7 APPLICATION.....	9
5.8 INFORMAL DISCUSSION	9
5.9 FORMAL GRIEVANCE - STEP ONE.....	9
5.10 FORMAL GRIEVANCE - STEP TWO	9
5.11 FORMAL GRIEVANCE - STEP THREE	9
5.12 ARBITRATION - STEP FOUR	9
ARTICLE 6 – SALARY ADJUSTMENTS.....	10
6.1 SALARY RANGE	10
6.2 SALARIES.....	10
6.3 SIGNING BONUS	11
ARTICLE 7 – SALARY ADMINISTRATION	11
7.1 ORIGINAL APPOINTMENT COMPENSATION RATE	11
7.2 ADVANCEMENT IN RATE OF COMPENSATION	11
7.3 EFFECT OF CLASSIFICATION CHANGE ON RATE OF COMPENSATION.....	12
7.4 EFFECT OF CHANGE OF SALARY RANGE UPON COMPENSATION.....	13
7.5 RATE OF COMPENSATION UPON RETURN TO CITY SERVICE.....	13

7.6	RATES HIGHER THAN TOP STEP (Y-RATE).....	13
7.7	LONGEVITY PAY (CITY CHARTER).....	14
7.8	LONGEVITY PAY (CONTRACT).....	14
ARTICLE 8 – HEALTH AND WELFARE		14
8.1	CONTRIBUTION TO FULL-TIME AND PART-TIME CAREER EMPLOYEES.....	14
8.2	CONTRIBUTION TO NON-CAREER EMPLOYEES	15
8.3	AMOUNT OF CONTRIBUTION	16
8.4	COVERED DEPENDENTS.....	18
8.5	CASH-BACK LIMITS.....	18
8.6	LIFE INSURANCE.....	19
8.7	FLEXIBLE SPENDING ACCOUNTS	19
8.8	RETIREES OR SURVIVOR DEPENDENTS	19
ARTICLE 9 – LEAVES.....		22
9.1	HOLIDAY BENEFITS.....	22
9.2	VACATION.....	26
9.3	SICK LEAVE	28
9.4	COURT LEAVE.....	31
9.5	PARENTAL LEAVE.....	32
9.6	CATASTROPHIC LEAVE PLAN	33
9.7	PERSONAL TIME OFF (PTO).....	34
9.8	STATE DISABILITY INSURANCE (SDI).....	35
9.9	BEREAVEMENT LEAVE	35
9.10	PAID CITY LEAVE (PCL).....	36
ARTICLE 10 – SPECIAL ALLOWANCES		36
10.1	STANDBY ASSIGNMENTS	36
10.2	CALL-BACK/CALL-IN PAY	37
10.3	TEMPORARY WORK IN A HIGHER CLASSIFICATION	38
10.4	SHIFT DIFFERENTIAL	38
10.5	TUITION REIMBURSEMENT	39
10.6	CONTINUING EDUCATION	39
10.7	REQUIRED LICENSES AND CERTIFICATIONS.....	40
10.8	CERTIFICATE INCENTIVES	40
10.9	TECHNOLOGY ALLOWANCE	41
10.10	PROFESSIONAL ENRICHMENT	42
ARTICLE 11 – HOURS OF WORK		42
11.1	WORK SCHEDULE.....	42
11.2	SHIFT BIDS FOR STATIONARY ENGINEERS	43
11.3	OVERTIME AND COMPENSATING TIME OFF	43
ARTICLE 12 – LAYOFF.....		44
12.1	PURPOSE.....	44
12.2	DEFINITIONS.....	44
12.3	PROCEDURE	46
12.4	NOTICE OF LAYOFF.....	47
12.5	SALARY IN EVENT OF DOWNGRADE	48
12.6	FRINGE BENEFITS	48
12.7	RECALL	49

ARTICLE 13 – DISCIPLINE	50
13.1 DISCIPLINE FOR NON-CAREER EMPLOYEES IN CAREER CLASSIFICATIONS	50
13.2 LETTER OF REPRIMAND	50
13.3 IN-LIEU DISCIPLINE.....	50
13.4 DISCIPLINE TOLLING PERIOD	51
13.5 MEDIATION	51
13.6 DISCIPLINE APPEAL HEARING PROCEDURE.....	51
13.7 DECISION	52
13.8 WITHDRAWAL OF APPEAL.....	52
13.9 DISCIPLINE AND DOCUMENTED COUNSELING RETENTION	52
 ARTICLE 14 – SAFETY SHOES AND SAFETY GLASSES	 53
14.1 SAFETY SHOES.....	53
14.2 SAFETY GLASSES.....	53
14.3 DAMAGE TO PRESCRIPTION SAFETY GLASSES.....	54
 ARTICLE 15 – UNIFORMS.....	 54
15.1 UNIFORMS	54
15.2 FOUL WEATHER JACKET	54
 ARTICLE 16 – MISCELLANEOUS.....	 55
16.1 SAFETY	55
16.2 TRANSPORTATION	55
16.3 SELECTION OF VACANCIES	56
16.4 STRIKES AND LOCKOUTS	56
16.5 SAVINGS CLAUSE	57
16.6 EMPLOYEE PERFORMANCE APPRAISALS	57
16.7 TRIAL PERIOD	57
16.8 PAYROLL ERRORS	58
16.9 COMMERCIAL DRIVER LICENSE	59
16.10 PERS RETIREMENT PLAN AND CONTRIBUTION	59
16.11 VOLUNTARY WORK FURLOUGH PROGRAM	60
16.12 PROBATIONARY PERIOD.....	60
16.13 ZONAR OR OTHER GLOBAL POSITIONING SYSTEMS (GPS) AND VEHICLE STICKERS.....	61
16.14 DEFERRED COMPENSATION PLAN.....	61
16.15 REOPENERS.....	61
16.16 WATER TREATMENT PLANT SCHEDULING – WORK GROUP	61
16.17 TERM	62
 EXHIBIT A – CONTINUING LETTERS OF UNDERSTANDING (LOUs)	 65

PREAMBLE

This AGREEMENT, hereinafter referred to as the Agreement, entered into by the CITY OF SACRAMENTO, hereinafter referred to as the City, and the INTERNATIONAL UNION OF OPERATING ENGINEERS, STATIONARY ENGINEERS, LOCAL 39, AFL-CIO, hereinafter referred to as the Union, has as its purpose the promotion of harmonious labor relations between the City and the Union, establishment of an equitable and peaceful procedure for the resolution of differences, and the establishment of rates of pay, hours of work, and other conditions of employment.

ARTICLE 1 – RECOGNITION

1.1 RECOGNITION

- a. The City hereby recognizes the Union as the exclusive bargaining agent for all employees in the Plant Operator Unit, as defined in the City's Employer-Employee Relations Policy, and agrees to meet and confer and otherwise deal exclusively with the Union on all matters relating to the scope of representation pertaining to the said employees as authorized by law.
- b. The Union will not object to the State Mediation and Conciliation Service or the American Arbitration Association conducting an election pursuant to the City's Employer-Employee Relations Policy.

1.2 EMPLOYEES COVERED BY THIS AGREEMENT

Any employee working in a job classification in the Plant Operator Unit shall be covered by this Agreement except as hereinafter provided. Additionally, any career employee covered by this Agreement who accepts a temporary appointment to a classification outside this Agreement shall continue to be covered by this Agreement for a period of ninety (90) calendar days. Such temporary appointment shall be treated as an out-of-classification assignment. Similarly, a career employee not covered by this Agreement who accepts a temporary appointment to a classification covered by this Agreement shall not fall under the provisions of this Agreement for a period of ninety (90) calendar days. The City shall not make temporary appointments under this provision for the sole purpose of eroding the bargaining units represented by the Union.

The following terms are defined as used throughout this Agreement:

Career Employees: Those employees having either probationary or permanent status in a classification covered by this Agreement.

Non-Career Employees: Employees working in a classification covered by this Agreement who are not required to serve a probationary period and who therefore

have neither probationary nor permanent status. There are the following two (2) categories of non-career employees:

(+1,040): These non-career employees work, within one year of each date of employment, in excess of 1,040 hours during a continuous period of employment of more than six (6) months.

(-1,040): These non-career employees work, within one year of each date of employment, 1,040 or less hours. Included in this category are all non-career employees who do not fall under the (+1,040) definition.

1.3 CAREER DEVELOPMENT TRAINEES

The City shall have the right during the term of the Agreement to establish Career Development Trainee classifications. Such classifications shall have a flat hourly rate of pay equivalent to ten percent (10%) below Step 1, as applicable, of the salary range of the career classification, as shown in the current salary schedule. (For example, if the "1" step hourly rate of pay is \$9.00 for the career classification for which the career development training is being conducted, the flat hourly rate for the Career Development Trainee would be \$9.00 minus \$.90 or \$8.10.) An employee appointed as a Career Development Trainee shall have non-career (+1,040) status for purposes of benefit eligibility during the term of the appointment.

ARTICLE 2 – SOLE AGREEMENT

2.1 SOLE AGREEMENT

- a. The City and the Union both agree that this Agreement, when signed by both parties hereto, and approved by the City Council, supersedes all other Agreements and supplements and represents the sole agreement between the parties.
- b. If during its term, the parties hereto should mutually agree to modify, amend or alter the provisions of the Agreement in any respect, any such change shall be effective only if and when reduced to writing and executed by the authorized representative of the City and the Union. Any such changes validly made shall become a part of this Agreement and subject to its terms.

ARTICLE 3 – CITY RIGHTS

3.1 CITY RIGHTS

The City retains the exclusive right, in accordance with applicable laws, regulations, and the provisions of this Agreement, (a) to direct employees in the performance of their duties; (b) to hire, promote, transfer and assign employees; (c) to classify employees in accordance with applicable Charter, ordinance and Civil Service Board

Rule provisions; (d) to discipline employees in accordance with applicable Civil Service Board Rules and Regulations; (e) to dismiss employees because of lack of work, or funds, or for other reasonable cause; (f) to determine the mission of the division and department, its budget, its organization, the number of employees, and the numbers, types, classifications and grades of positions or employees assigned to an organization unit, work project, shift or tour of duty, and the methods and technology of performing its work; and (g) to take whatever action that may be appropriate to carry out its mission in situations of emergency.

ARTICLE 4 – UNION RIGHTS

4.1 PAYROLL DEDUCTIONS

- a. In addition to continuing existing payroll deductions for group insurance plans to which the City is or shall hereafter be a contracting party, the City agrees to establish payroll deductions for: (1) the normal and regular monthly Union membership dues, initiation fees, and assessments; (2) the insurance premiums for plans sponsored by the City or the Union, not to exceed three (3) insurance deductions per member.
- b. All the above payroll deductions shall be subject to the following conditions:
 - (1) Such deductions shall be made pursuant to the terms and conditions set forth using the dues authorization form agreed to by the City and the Union, and shall include:
 - Employee full name
 - Employee eCAPS ID number or the last four digits of their Social Security number
 - Amount of percentage of wage for monthly membership dues and/or initiation fee
 - Additional Union-sponsored deductions (e.g., life insurance)
 - Any additional necessary information
 - (2) Any changes or modifications to the authorization form shall be agreed upon between the City and the Union.
 - (3) The authorization form for deductions shall be completed and submitted by the Union to the Payroll Division, Department of Finance.
 - (4) Such deductions shall be made only upon submission of the authorization form by the Union to the Payroll Division, Department of Finance.
 - (5) When changes in rates affect large groups of Union members, the Union may, in lieu of utilizing the dues authorization form, notify the Labor Relations Division, Department of Human Resources, of the new

rate and clearly define the group(s) of Union members who are affected.

- (6) The Union is responsible for submitting the dues authorization form to the Payroll Division, Department of Finance, any changes in the amounts to be payroll deducted from the paychecks of employees who have so authorized.
- (7) Dues deductions shall occur over twenty-four (24) pay periods per year, which shall be the first two (2) pay periods each month.
- (8) If for any reason an employee does not have sufficient funds due them to provide for the payment of any of the above payroll deductions after all other authorized or mandatory deductions or garnishments have been made, if any, no such sums shall be payroll deducted and the Union shall assume the duty of direct collection from the employee.
- (9) Deductions and authorizations shall be separated by type of deduction (e.g., Union membership dues, initiation fees, insurance premiums) and by payee.
- (10) Unless notified in writing by the Union of an employee's request to cancel their dues deductions, the City will continue to deduct union dues, and/or any additional deduction(s) noted. Notification of cancellation will be made utilizing the dues authorization form, notating in the "Additional Information" or "Action" column that it is a "Membership Cancellation."
- (11) The City shall make the Union's requested dues changes, enroll new members, and/or cancel existing membership as soon as practicable, not to exceed a period of thirty (30) calendar days following notification.
- (12) The City will remit to the Union a check for all of the deductions.
- (13) The Union shall indemnify, defend, and hold the City harmless against any claims made of any nature whatsoever, and against any suit instituted against the City arising from its deductions for dues, initiation fees, insurance, or other programs sponsored by the Union.
- (14) In the event there is a change in the law whereby any provision in this Section becomes invalid, or if for any reason any provision of this Section is rendered unlawful by any published appellate court decision, this Section shall be forthwith deemed amended to comply with the change or decision in question. Upon occurrence of such an event, the parties shall meet and confer as soon as practicable regarding the invalidated or amended provision(s).

- (15) Employees recalled pursuant to Article 12 shall immediately be enrolled upon recall into the union dues deduction, or other payment that existed at the time of layoff, as appropriate.

4.2 UNION STEWARDS

- a. The Union may designate Job Stewards for each of the following areas:

Sacramento River Water Treatment Plant	One Steward
Waste Water Facilities	One Steward
American River Water Treatment Plant	One Steward
Pump Crew	One Steward
Convention Center	One Steward
Corporation Yard	One Steward

- b. The Union shall furnish the City with a list of such Stewards after their designation.
- c. Stewards shall not conduct Union or representational activities, including grievance handling, on City time unless prior approval is expressly granted by City management.
- d. This Article shall not apply to non-career employees.

4.3 LIST OF NEW EMPLOYEES AND ELIGIBLE LISTS

At least every thirty (30) days, the City shall provide the Union with a list of employees who are employed in classifications represented by the bargaining unit.

To the extent it is known, information shall include: name; classification date; job title; department; work location; work, home, and personal cellular phone numbers; personal email address; and the home address of each employee.

The Union will also be notified when applications are being solicited for the establishment of new eligible lists for job classifications represented by the Union.

4.4 USE OF CITY INFORMATION SYSTEMS

- a. The Union shall have the right to reasonable use of the City's existing internal mail system for the limited purpose of communicating with employees who have been designated in writing by the Union as Stewards. The envelope for such mail shall contain the following information: Steward's name, Department, Division, and work location. The City shall not be held responsible for untimely or lost mail.
- b. The Union may have reasonable use of the City's electronic mail (Outlook) system (email) for the limited purpose of communicating with employees who have been designated in writing by the Union as stewards. Stewards may,

with the advance approval of Department management, have reasonable use of City email to fulfill their role as a Steward.

- c. Failure to comply with these requirements will result in withdrawal of the use of City information systems.

4.5 BULLETIN BOARDS

- a. Space shall be provided on City property, at locations mutually agreed upon, for Union bulletin boards for the posting of the following types of notices:
 - (1) Union recreational and social activities
 - (2) Union steward elections
 - (3) Union appointments and results of Union elections
 - (4) Union meetings
- b. Such other notices as may be allowed by Government Code. The board size shall be no larger than three (3) by four (4) feet.

4.6 NEW EMPLOYEE ORIENTATION

- a. Unless otherwise agreed in advance, Union Business Representatives, or their designees, shall be provided up to fifteen (15) minutes to attend the City's regularly scheduled new-employee orientations so that they may provide information about the Union and the labor agreement.

The new-employee orientation schedule, and the reserved fifteen (15) minutes of time for the Union's representative(s) to attend, shall be established by the City and provided to the Union. The City shall make a reasonable effort to provide the Union with at least forty-eight (48) hours' notice of changes to the regular schedule.

- b. The Union shall be permitted to have one (1) Union steward attend the new employee orientation so long as their absence from their assignment does not unduly disrupt the operation of the City and the steward obtains their supervisor's authorization. The steward shall be on City-paid Union release time for up to one (1) hour of regular time; release time shall not create an overtime obligation.

The Union may have only one (1) steward on City-paid release time regardless of the Unit they are in (i.e. Miscellaneous, Plant Operators, General Supervisors).

The City may terminate section 4.6(b) by providing written notice to the Union within thirty (30) calendar days prior to the expiration of this Agreement.

- c. When new-employee orientations occur virtually, the City will include the Union Business Representative on the meeting invitation so that a representative may attend consistent with subsections (a) and (b) above. It is the Union's responsibility to pre-designate the Union Business Representative contact for the City.

If a Union Business Representative is not available to attend the virtual new-employee orientation, the Union Business Representative may contact the employee and the employee's department management to schedule a thirty (30) minute meeting with the employee. The meeting shall be either in person at the employee's primary physical City work location or if that is not practical, may be virtual.

This meeting shall occur within the first thirty (30) calendar days of employment and shall be scheduled within seven (7) calendar days of the Union's request on a date and time that is mutually agreed upon between the City and the Union Business Representative.

During the meeting, the employee shall be released from duty. The meeting shall occur during the employee's normally schedule work shift and without loss of compensation to the employee; however, under no circumstance will the meeting take place on overtime.

The City may terminate section 4.6 (c) by providing written notice to the Union within thirty (30) calendar days prior to the expiration of this Agreement.

ARTICLE 5 – GRIEVANCE PROCEDURE

5.1 GRIEVANCE PROCEDURE

- a. No matter shall be considered as a grievance under this Article unless it is presented in writing within thirty (30) calendar days after occurrence of the events on which the grievance is based. With the consent of the City's third step representative, the thirty (30) day time limit for filing grievances may be extended.
- b. If the City fails to respond to a grievance within the time limits specified for that step, the grievant or Union shall have the right to appeal to the next step.
- c. At each step of the formal grievance procedure, a copy of the decision shall be sent to the Union or other authorized representative at the same time as the decision is sent to the grievant.

5.2 PURPOSE

- a. This grievance and arbitration procedure shall be used to process and resolve grievances arising under this Agreement except to the extent that the City Charter vests jurisdiction elsewhere.
- b. The purposes of this procedure are:
 - (1) to resolve grievances informally at the lowest possible level;
 - (2) to provide an orderly procedure for reviewing and resolving grievances promptly.

5.3 DEFINITIONS

- a. A grievance is a good faith complaint of one (1) or a group of employees, or a dispute between the City and the Union, involving the interpretation, application, or enforcement of the express terms of this Agreement.
- b. As used in this procedure, the term "supervisor" means the individual who assigns, reviews and directs the work of the employee.
- c. As used in this procedure, the term "party" means an employee, the Union, the City, or their authorized representatives.
- d. As used herein, "Union representative" refers to the recognized employee representative group or their agents.

5.4 TIME LIMITS

Each party involved in a grievance shall act quickly so that the grievance may be solved promptly. Every effort should be made to complete action within the time limits contained in the grievance procedure, but with the written consent of the parties the time limitation for any step may be extended.

5.5 PRESENTATION

An employee and/or the Union representative may present a grievance while the employee is on duty, provided such use of on-duty time shall be kept to a reasonable minimum.

5.6 EMPLOYEE RIGHTS

The employee retains all rights conferred by Sections 3500, et seq., of the Government Code or the Rules and Regulations of the Civil Service Board unless waived by such employee.

5.7 APPLICATION

Grievances as defined in Section 5.3(a), shall be brought through this procedure.

5.8 INFORMAL DISCUSSION

The grievance initially shall be personally discussed between the employee, and/or the Union representative, and the employee's supervisor. Within fourteen (14) calendar days of the informal discussion, the supervisor shall give their decision or response.

5.9 FORMAL GRIEVANCE - STEP ONE

- a. If an informal grievance is not resolved to the satisfaction of the grievant, a formal grievance may be initiated. A formal grievance may be initiated within fourteen (14) calendar days of the decision rendered in the informal grievance procedure.
- b. A formal grievance shall be initiated in writing on a form prescribed by the City and shall be filed with the Division Head. Within fourteen (14) calendar days after the initiation of the formal grievance, the Division Head or designee shall respond to the grievance in writing.

5.10 FORMAL GRIEVANCE - STEP TWO

If the decision rendered pursuant to Step 1 is not satisfactory, the grievant may appeal the decision within fourteen (14) calendar days to the Department Head. The Department Head or designee shall respond in writing within fourteen (14) calendar days to the grievance. If the Department Head or designee determines that it is desirable, they shall hold conferences or otherwise investigate the matter. The employee may be represented by a Union representative.

5.11 FORMAL GRIEVANCE - STEP THREE

- a. If the decision rendered pursuant to Step 2 is not satisfactory, the grievant may appeal the decision within fourteen (14) calendar days. The grievant or their representative and the designated representative of the City will meet to hear a grievance appealed to the third step. A grievance appealed to the third step of the grievance procedure shall be heard within fourteen (14) calendar days after the appeal to the third step of the grievance procedure.
- b. A written answer will be made within fourteen (14) calendar days after the hearing, stating the City's position.

5.12 ARBITRATION - STEP FOUR

- a. If the City's designated representative fails to respond in writing as provided in Step 3, or if the response is not satisfactory, the Union shall have the right

to refer matters to binding arbitration. The request for arbitration must be given in writing to the Labor Relations Manager by the Union within fourteen (14) calendar days from the date of the third step answer.

- b. An impartial arbitrator shall be selected jointly by the parties within fourteen (14) calendar days of receipt of the written demand.
- c. Should the parties fail to mutually agree on an arbitrator, they shall make a joint request to the State Mediation and Conciliation Service for a list of five (5) qualified arbitrators. The parties shall alternate striking names from the list and the remaining person shall be accepted as the arbitrator. The first party to strike will be determined by the flip of the coin.
- d. The decision of the arbitrator shall be final and binding.
- e. The arbitrator shall have no authority to add to, delete or alter any provisions of this Agreement, but shall limit their decision to the application and interpretation of its express provisions.
- f. The fees and expenses of the arbitrator and the court reporter if required by the arbitrator or requested by a party, shall be shared equally by the parties.
- g. The City agrees that employees shall not suffer loss of compensation for time spent as a witness at an arbitration hearing held pursuant hereto. The Union agrees that the number of witnesses requested to attend and their scheduling shall be kept to a reasonable minimum.

ARTICLE 6 – SALARY ADJUSTMENTS

6.1 SALARY RANGE

The salary schedule shall consist of eight (8) steps with five percent (5.0%) between steps.

6.2 SALARIES

- a. Effective December 27, 2025, all salary steps shall be increased by one percent (1.0%).

This increase to all salary steps will be implemented within ninety (90) calendar days after adoption of this Agreement by City Council. Only those employees who are on payroll and who are employed in a classification covered by this Agreement on the date the payment is issued shall be eligible to receive retroactive pay.

- b. Effective December 26, 2026, all salary steps shall be increased by two and a half percent (2.5%).

- c. Effective December 25, 2027, all salary steps shall be increased by three percent (3.0%).

6.3 SIGNING BONUS

Within forty-five (45) calendar days after the adoption of this Agreement by the City Council, the City will pay employees a signing bonus of five hundred dollars (\$500), less normal and customary payroll deductions. Only those employees who are on payroll and who are employed in a classification covered by this Agreement on the date the payment is issued will receive the signing bonus.

ARTICLE 7 – SALARY ADMINISTRATION

7.1 ORIGINAL APPOINTMENT COMPENSATION RATE

The rate of compensation upon original appointment shall normally be Step 1, as applicable. However, if the City Manager or designee finds that the appointee has extraordinary qualifications, or that a higher step is necessary in order to recruit, appointment at any step in the range may be made. This provision shall apply to original appointments to career positions and appointments to non-career positions.

7.2 ADVANCEMENT IN RATE OF COMPENSATION

a. Advancement in Steps

- (1) Upon successful completion of twenty-six (26) weeks (1,040 hours) of service, an employee shall be advanced to the next higher step of the salary range of the classification. Employees who thereafter maintain a normally satisfactory level of performance shall be advanced automatically at fifty-two (52) week (2,080 hours) intervals to succeeding steps of the assigned salary range.
- (2) Time spent on leave of absence without pay of ten (10) or less consecutive workdays shall not affect the step increase eligibility date. For such leaves in excess of ten (10) consecutive working days, all leave time shall not count toward step increases.
- (3) An employee who has completed the required probationary period in their current classification and who is at a salary step lower than top step may be advanced to any higher step in the salary range for that classification at any time. Such step advancement under this provision shall not be subject to the grievance procedure and shall be at the sole discretion of the Department Head.
- (4) This Section shall not apply to non-career employees.

b. Denial of Step Increase and Reduction in-Grade

Employees who do not maintain a satisfactory level of performance may be denied advancement, and may be reduced within grade upon approval of the appointing authority. Employees in the civil service who are denied advancement, or who are reduced in-grade, shall have the right to appeal to the Civil Service Board in accordance with its Rules and Regulations. (This subsection shall not apply to non-career employees.)

c. Effective Date of Step Increases/Payroll Changes

All payroll changes shall be effective on the first day of the bi-weekly pay period following the date the employee became eligible for a pay increase, which bi-weekly pay period shall begin at 12:01 a.m. Saturday of the first week, and end at 12:00 midnight on the Friday of the second week.

d. Effective Date of Salary Step Increase Upon Extension of Probationary Period

(1) If the probationary period is extended due to light duty, sick leave, or injury-on-duty time, the salary step increase will be delayed for the period of the extension. However, the probationary period shall only be extended if the time exceeds thirty (30) consecutive calendar days.

(2) For an employee in a classification with a six (6) month probationary period who successfully completes the extended probationary period, the period of the extension shall be included in determining the eligibility date for the salary step increase. For example, an employee is appointed on January 4, 1986, and works in the regular assignment until April 11, 1986. On April 12, 1986, the employee is on injury-on-duty time until July 4, 1986, and returns to the regular assignment on July 5, 1986. The employee successfully completes the probationary period on September 26, 1986. The effective date on the salary step increase is July 5, 1986, because the period April 12, 1986, to July 4, 1986, is included in determining the salary step eligibility date.

(3) If a probationary period is extended due to an unpaid leave of absence, the period of such extension is excluded in determining the eligibility date for a salary step increase.

7.3 EFFECT OF CLASSIFICATION CHANGE ON RATE OF COMPENSATION

a. Movement to a Higher Classification

When an employee moves from one classification to another which has a higher salary, through examination, appointment to an exempt position, temporary appointment in the absence of an eligible list, or reallocation, the employee shall receive an increase at least equal to a full in-grade salary step

(5%) or Step 1, as applicable, of the higher classification, whichever is greater, but not to exceed the maximum rate of the higher classification.

b. Movement to Another Position in the Same Classification or to a Classification with the Same Salary Range

When an employee moves to another position in the same classification or to another classification with the same salary range, the employee shall maintain the same salary and same anniversary date.

c. Movement to a Lower Classification

When an employee's position is reallocated to a classification with a lower salary range, the employee shall suffer no reduction in salary, and the Y-rate provisions of this Agreement shall apply. The salary of an employee who voluntarily demotes shall be that salary step nearest but does not exceed such salary paid in the previous classification.

7.4 EFFECT OF CHANGE OF SALARY RANGE UPON COMPENSATION

Whenever the salary range of a classification is adjusted upward, the salary rate of each employee in the classification shall be adjusted to the step in the new range which corresponds to the step received in the former range, and the employee shall retain the current anniversary date for further increases within the new range.

7.5 RATE OF COMPENSATION UPON RETURN TO CITY SERVICE

a. An employee recalled after layoff, reinstated after a leave of absence, or reemployed in the same classification after resignation shall return to the same salary step paid, and shall be credited with the duration of time spent within the step occupied, at the time of departure. The period of time separated from City service shall not be included in the calculation of the anniversary date for future in-grade salary adjustments.

b. If the employee is reemployed after resignation to a classification lower than that in which last employed, the employee may receive any step, but not to exceed the salary of the classification in which last employed. If that step is other than the maximum step of the salary range, the anniversary date for subsequent in-grade adjustments shall be twelve (12) months from the date of reemployment and each year thereafter until the maximum step of the salary range is reached.

7.6 RATES HIGHER THAN TOP STEP (Y-RATE)

Whenever the salary of an employee exceeds top step of the salary range established for a classification, such salary shall be designated as a "Y-rate." During such time as an employee's salary remains above the top step, the employee shall not receive further salary increases, except that upon promotion to a higher

classification, the employee shall immediately advance to the step of the range of the higher classification next above the "Y-rate," and be eligible for advancement to succeeding steps in the range as outlined in this Agreement. In the event an employee is "Y-rated" below top step, as applicable, the employee shall be permitted to advance to the maximum step of the original range.

7.7 LONGEVITY PAY (CITY CHARTER)

Employee eligibility for longevity pay as provided in Section 108 of the City Charter shall be determined by an employee's City Service Seniority as defined in Article 12, Layoff, Section 12.2 (b)(2). The amount to be paid annually on the second check in July after twenty (20) years of City service shall be one hundred dollars (\$100.00), and after twenty-five (25) years of City service, an additional two hundred dollars (\$200.00), for a total of three hundred dollars (\$300.00). The parties acknowledge that Longevity Pay is provided in the City Charter and not through this Agreement. In the event that changes are made to the City Charter, those changes shall supersede the provision of this Agreement regarding Longevity Pay.

Longevity Pay as provided in the Section shall be reported to CalPERS in a manner consistent with CalPERS rules for reporting special compensation, as amended. The specific language of this proposal is subject to change based on review by CalPERS.

7.8 LONGEVITY PAY (CONTRACT)

- a. Employees who have completed seventeen (17) years of City service shall be eligible to receive contract longevity pay as follows:
 - (1) Effective December 26, 2026, longevity pay will be one percent (1%) of their base rate of pay.
 - (2) Effective December 25, 2027, longevity pay will be increased by two percent (2%) of their base rate of pay, for a total of three percent (3%).
- b. Longevity Pay shall be additive and shall not be compounded with any other type of pay or incentive. For purposes of determining employee eligibility for longevity, as provided in this Section, years of service shall be determined by an employee's City Service Seniority as defined in Article 12, Layoff, Section 12.2 (b)(2).

ARTICLE 8 – HEALTH AND WELFARE

8.1 CONTRIBUTION TO FULL-TIME AND PART-TIME CAREER EMPLOYEES

- a. The City shall administer a Cafeteria Plan (Plan) for employees consistent with Section 125 of the Internal Revenue Code. The details of Plan eligibility and operational requirements are set forth in Plan documents. The City shall make contributions (City dollars) as defined below. One-half (1/2) of the City

contributions will be made to eligible employees on each of the first two (2) paychecks (Eligible Paycheck) each month for insurance coverage the first and second halves of that month, respectively.

- b. Eligible employees shall receive a City contribution for each Eligible Paycheck on which the employee is paid for forty (40) or more hours. Employees who are paid less than forty (40) hours on an Eligible Paycheck may continue elected coverage limited to the City's medical, dental, and vision plans for up to six (6) months, or the period of time permitted by the Consolidated Omnibus Budget Reconciliation Act (COBRA), whichever is greater, by personal remittance or other arrangement for payment of the full premiums of any insurance elected to be continued.
- c. The amount of City contribution for each of the first two (2) paychecks of each month shall be based on the number of hours for which the employee was paid in that bi-weekly pay period: 64 or more hours paid = 100% contribution; 40-63.9 hours paid = 50% contribution.
- d. Notwithstanding subsections 8.1(b) and 8.1(c), eligible employees shall continue to receive a City contribution for each Eligible Paycheck during: (1) an approved protected leave of absence, if required by state and federal law; or (2) while suspended from service without pay.
- e. All terms and conditions of medical, dental, vision, disability, and basic life insurance sponsored by the City will be as outlined in certificates of coverage and related insurance contracts.

8.2 CONTRIBUTION TO NON-CAREER EMPLOYEES

- a. The City shall contribute City dollars as provided below, on either a 100% or 50% basis, for non-career (+1,040) employees. Except as provided herein, the City contribution shall be applied toward the premiums for City-sponsored medical, dental, and vision insurance plans for eligible employees and qualified dependents, if any. The amount of City contribution for each of the first two (2) paychecks of each month shall be based on the number of hours for which the employee was paid in that bi-weekly pay period: 64 or more hours paid = 100% contribution; 40-63.9 hours paid = 50% contribution.
- b. To be eligible for the City contribution under this Section, the non-career employee must be paid for a minimum of forty (40) hours on each paycheck. If the employee fails to be paid for the minimum forty (40) hours necessary to receive the City contribution, the City shall deduct from the employee's first two (2) paychecks each month the amount needed to pay for the insurance plans which the employee has selected. If this deduction from the employee's first two (2) paychecks each month cannot be made in its entirety, it is the responsibility of the individual employee to pay for the remaining amount. Failure to do so before the end of the calendar month including such

paycheck(s) shall automatically drop the employee from the City-sponsored insurance program until the next open enrollment period.

8.3 AMOUNT OF CONTRIBUTION

a. Employees Enrolled in an Account-Based Health Plan (ABHP)

- (1) The ABHP is a combination of a High Deductible Health Plan (HDHP) and a Health Savings Account (HSA).
- (2) Employees enrolled in an ABHP shall receive the same City contributions as specified in Section 8.3(b), below. To the extent the premium for the ABHP is less than the City contributions outlined in Section 8.3(b), below, any excess City contribution shall be credited to the employee's HSA to the extent allowed by law.

b. Employees Not Enrolled in an ABHP

- (1) For Plan Years Prior to the Effective Date of Subsection (2), the city contributions shall be as follows:
 - i. For full-time employees enrolled in a City-sponsored medical plan for employee only, the City contribution shall be nine hundred seventy-one dollars (\$971) per month.
 - ii. For full-time employees enrolled in a City-sponsored medical plan for employee plus one (1) dependent, the City contribution shall be one thousand five hundred forty-five dollars (\$1,545) per month.
 - iii. For full-time employees enrolled in a City-sponsored medical plan for employee plus two (2) or more dependents, the City contribution shall be two thousand fifty-one dollars (\$2,051) per month.
- (2) Effective the pay period beginning March 21, 2026, with the increased contribution first appearing on the paycheck issued April 14, 2026, the City's monthly contributions shall be as follows:
 - i. For full-time employees enrolled in a City-sponsored medical plan for employee only, the City contribution shall be one thousand fifty-one dollars (\$1,051) per month.
 - ii. For full-time employees enrolled in a City-sponsored medical plan for employee plus one (1) dependent, the City contribution shall be one thousand six hundred seventy-four dollars (\$1,674) per month.

iii. For full-time employees enrolled in a City-sponsored medical plan for employee plus two (2) or more dependents, the City contribution shall be two thousand two hundred thirty dollars (\$2,230) per month.

- (3) Effective the first Eligible Paycheck of 2027 for plan year 2027, the City shall contribute fifty percent (50%) of the first one hundred dollars (\$100) of premium increases, up to a total City dollar maximum contribution of fifty dollars (\$50) per month toward the cumulative total increase in premiums, from plan year 2026 to plan year 2027, of the benchmarked twenty-five dollars (\$25) Kaiser HMO, Delta Dental PPO, and VSP basic vision plans. The employee shall be responsible for any premium increase(s) which exceed this amount.

If the year-over-year premium increase for the benchmarked twenty-five dollar (\$25) Kaiser HMO for any applicable coverage level (Employee Only, Employee +1 dependent, Employee +2 or more dependents) from plan year 2026 to plan year 2027 exceeds ten percent (10%), the parties shall meet and discuss, upon the Union's request, City dollar contribution increases limited solely to the specific coverage level for which the year-over-year premium increase exceeds ten percent (10%). Absent mutual agreement, the City dollar contribution calculation outlined in this subsection 8.3 (b)(3) shall remain in effect.

- (4) Effective the first Eligible Paycheck of 2028 for plan year 2028, the City shall contribute fifty percent (50%) of the first one hundred dollars (\$100) of premium increase, up to a total City dollar maximum contribution of fifty dollars (\$50) per month toward the cumulative total increase in premiums, from plan year 2027 to plan year 2028, of the benchmarked twenty-five dollar (\$25) Kaiser HMO, Delta Dental PPO, and VSP basic vision plans. The employee shall be responsible for any premium increase(s) which exceed this amount.

If the year-over-year premium increase for the benchmarked twenty-five dollar (\$25) Kaiser HMO for any applicable coverage level (Employee Only, Employee +1 dependent, Employee +2 or more dependents) from plan year 2027 to plan year 2028 exceeds ten percent (10%), the parties shall meet and confer, upon the Union's request City dollar contribution increases limited solely to the specific coverage level for which the year-over-year premium increase exceeds ten percent (10%).

- c. Full-time employees not enrolled in a City sponsored medical plan shall receive up to \$747.00 per month to purchase City-sponsored dental and vision coverage.

- d. Part-time employees shall receive a prorated City contribution consistent with subsection 8.1(c).
- e. Employees who are eligible to receive the City contribution who do not provide proof of other group medical coverage or do not enroll in City medical coverage within thirty (30) calendar days of being eligible for the City's contribution shall be enrolled in the lowest cost ABHP medical plan for employee only coverage.
- f. Employees shall not receive any unused portion of the City contribution as cash.
- g. Changes to the City's healthcare contribution levels as provided in this Section, including the adjustments effective for plan year 2026, shall not create or entitle employees to a special open enrollment period. Open enrollment opportunities shall occur only as provided in the City's normal annual benefits cycle or as otherwise required by law.

8.4 COVERED DEPENDENTS

- a. The following eligible dependents qualify to be enrolled on a City medical, dental, or vision plan: lawfully married spouse or registered domestic partner; children up to age 26 who are an employee's natural child, stepchild, adopted child, or the natural or adopted child of an employee's spouse or registered domestic partner; children up to age 26 who are placed under the legal guardianship of an employee, the employee's spouse, or employee's registered domestic partner; children up to the age of 26 in which the City has received notice of Qualified Domestic Relations Order of required coverage; and disabled unmarried children over the age of 26 who reside with the employee. The definition of a dependent child for the purposes of medical insurance shall also be in accordance with the Patient Protection and Affordable Care Act.
- b. An employee covered as a dependent of another City employee may not enroll in a City medical plan but may enroll in a City dental or vision plan.

8.5 CASH-BACK LIMITS

- a. The cash-back of City dollars shall be limited to two hundred dollars (\$200) per month for career employees who have waived City-sponsored medical insurance continuously since June 29, 2012. Part-time employees shall be prorated as indicated in 8.1(c).
- b. New employees or employees who were not receiving the cash-back prior to June 29, 2012, shall not be eligible for any cash-back.

- c. Employees transferring to classifications covered by this Agreement who are receiving cash-back at the time of transfer may maintain the cash-back option as long as they continuously waive City-sponsored medical insurance.

8.6 LIFE INSURANCE

- a. The City provides basic life insurance in an amount of \$20,000 to each eligible career employee at no charge. Employees may purchase, at their expense, additional City-sponsored term life insurance of \$30,000.
- b. Employees may also purchase, at their expense, supplemental life insurance at an amount of up to three (3) times their annual salary, subject to limitations specified by the insurance carrier.

8.7 FLEXIBLE SPENDING ACCOUNTS

The City shall offer the following Flexible Spending Accounts (FSA) as permitted by Internal Revenue Service Regulations:

- a. Out-of-pocket costs for City-sponsored health, dental, and vision insurance plans;
- b. Unreimbursed health care expenses; and
- c. Dependent care reimbursement.

The City shall provide a summary of IRS rules on flexible spending limits during each open enrollment to both the employees and the Union.

8.8 RETIREES OR SURVIVOR DEPENDENTS

Eligible City retirees or survivor dependents shall receive City retiree insurance contributions for medical, dental, and vision insurance benefits under the following provisions:

- a. The maximum City contribution towards the purchase of medical, dental, or vision insurance for retirees is three hundred dollars (\$300) per month for the retiree. A retiree with one (1) or more dependent(s) enrolled on the retiree's medical plan shall receive an additional sixty-five dollars (\$65) per month, for a total maximum monthly contribution of \$365. Retirees shall not receive any unused portion of the City contribution as cash.
- b. Employees Retiring On or After July 1, 1992
 - (1) Except as provided below, to be eligible for the City's retiree insurance contribution, the employee must retire from active service with a minimum of ten (10) full years of City service for a service or ordinary disability retirement, and age fifty (50).

- (2) Employees retiring with thirty (30) or more years of City service shall be eligible for the City's retiree insurance contribution and dental benefit effective with the date of retirement without regard to age.
 - (3) The City's retiree insurance contribution shall be as follows:
 - (a) Employees with a minimum ten (10) full years of City service but less than fifteen (15) full years of City service shall be eligible to a maximum of fifty percent (50%) of the City's maximum retiree insurance contribution identified in subsection 8.8(a) above.
 - (b) Employees with a minimum fifteen (15) full years of City service but less than twenty (20) full years of City service shall be eligible to a maximum of seventy-five percent (75%) of the City's maximum retiree insurance contribution identified in subsection 8.8(a) above.
 - (c) Employees with a minimum of twenty (20) full years of City service shall be eligible for up to one hundred percent (100%) of the City's maximum retiree insurance contribution identified in subsection 8.8(a) above.
 - (4) There shall be no City retiree insurance contribution or for retirees with less than ten (10) full years of City service.
 - (5) An employee who does not retire from the Sacramento City Employee Retirement System (SCERS) of the California Public Employee Retirement System (CalPERS) within one-hundred twenty (120) days from the date of separation from City service shall not be eligible for the City's retiree insurance contribution and may not enroll in a City medical, dental, or vision plan.
- c. Retiree Insurance Contribution for Persons in Deferred Retirement Status as of January 1, 1991

Employees who have elected a deferred retirement prior to January 1, 1991, and who then elect to retire on or after July 1, 1992, and before January 23, 2018, shall be eligible to the City's retiree insurance contribution as follows:

- (1) A retiree with at least ten (10) full years of City service shall be eligible for fifty percent (50%) of the City's retiree insurance contribution as identified in subsection 8.8(a) above.
- (2) A retiree with twenty (20) full years or more of City service shall be eligible for one hundred percent (100%) of the City's retiree insurance contribution as identified in subsection 8.8(a) above.
- (3) Retirees must be at least fifty (50) years of age.

- (4) There is no eligibility for retiree insurance contribution for retirees with less than ten (10) full years of City service or who have not attained the age minimum specified in subsection 8.8(b) above.

d. Pre-Medicare Eligible Retirees

Retirees who are not eligible for Medicare benefits may elect to participate in a City-sponsored medical plan or purchase an individual medical plan. A retiree who elects to purchase a medical plan not sponsored by the City shall be eligible to reenroll in a City-sponsored medical plan within two (2) consecutive plan years of waiving City coverage.

e. Retiree Insurance Contribution Exclusion

Retirees who participate in another group medical plan as an employee or dependent spouse shall not be eligible for the City contribution as provided in subsection 8.8(a) above.

f. Industrial Disability or Death in Line of Duty Survivors

Retirees who receive industrial disability pensions or death in-line-of-duty survivors shall be entitled to one hundred percent (100%) of the City retiree insurance contribution for retirees regardless of years of service.

g. Survivor Dependents Benefits

Survivor dependents of eligible retirees shall continue to receive the retiree insurance contribution of up to three hundred dollars (\$300) for the survivor only or up to three hundred sixty-five dollars (\$365) for the survivor dependent and an eligible dependent.

“Eligible dependent,” as used in this Section, is defined as a dependent who was eligible to be enrolled on the retiree’s benefit plan at the time of the retiree’s death.

h. Medicare Supplement

In order to maintain eligibility for the City’s retiree insurance contribution, each eligible retiree and dependent shall enroll in Medicare Parts A and B immediately after becoming eligible for such benefits.

i. Limitation Clause

No employee or retiree shall have any rights provided by Section 8.8 (Retirees or Survivor Dependents) after December 22, 2028.

j. Elimination of Retiree or Survivors Dependents Benefits for Employees Hired After June 30, 2012

Unless otherwise required by law, no employee hired, reemployed, or rehired on or after June 30, 2012, shall be eligible for any of the benefits provided in Section 8.8 (Retirees or Survivor Dependents). Employees being recalled from layoff, reinstated consistent with Rules and Regulations of the Civil Service Board, Rule 10.6, or transferring to classifications covered by this Agreement after June 30, 2012, shall be eligible for the benefits provided by this Section only if the employee was eligible for retiree or survivor dependent benefits at the time of layoff, reinstatement, or transfer.

k. Resuming Retiree or Survivor Dependents Benefits for Eligible Personnel Who Unretire from City service and Subsequently Re-Retire from City Service On/After January 13, 2024

Individuals retired from classifications represented by the Union who are eligible for retiree or survivor dependents benefits under Section 8.8 shall have these benefits suspended if they elect to unretire and return to active employment with the City of Sacramento.

Notwithstanding Section 8.8(j), upon re-retirement from a classification representative by the Union, retirees who were eligible for retiree or survivor dependents benefits under Section 8.8 at the time of their first retirement, shall receive the City contribution to which they were entitled upon their original retirement date. Years of service during the employee's return to active employment will not be used to determine any employee's entitlement to the City's retiree insurance contribution under Section 8.8.

Example: An employee retires from a classification represented by the Union with fifteen (15) years of City service. The employee is eligible for 75% of the City's retiree insurance contribution. The individual unretires and works in a Union represented classification for another ten (10) years. When the employee re-retires, the employee is only eligible for the fifteen (15) year contribution amount, irrespective of any additional years of service worked for the City.

ARTICLE 9 – LEAVES

9.1 HOLIDAY BENEFITS

- a. The existing work schedule for employees on a four on/two off/five on/two off shift, provides for sixty-four (64) hours of recognized holiday benefits. Employees on this shift schedule, in lieu of other recognized holidays, shall be credited with an additional recognized holiday credit at the end of each calendar year of fifty-eight (58) hours. Holiday credit may be taken as holiday

time off or paid at the straight-time hourly rate, based on employee preference and operational needs.

- b. The following shall be the recognized holidays under this Agreement:

<u>Holiday</u>	<u>Date</u>
New Year's Day	January 1
Martin Luther King's Birthday	Third Monday in January
Washington's Birthday	Third Monday in February
Cesar Chavez's Birthday	March 31
Memorial Day	Last Monday in May
Juneteenth	June 19
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving Day	Friday after Thanksgiving
Christmas Eve (4 hours)	December 24
Christmas Day	December 25
New Year's Eve (4 hours)	December 31

- c. Eligibility

- (1) To be eligible for holiday pay, the employee shall work their last scheduled shift before the recognized holiday and their first scheduled shift after the recognized holiday, unless the employee was on pay status on authorized vacation, sick leave or compensating time off on either or both of these workdays.
- (2) A part-time career employee, including an employee in a work sharing program, or a non-career (+1,040) employee shall receive the recognized holiday benefit based upon the number of hours the employee was paid in that workweek as follows:

Number of Recognized Holidays in the Workweek	Minimum Number of Paid Hours in the Workweek	
	<u>50% Benefit</u>	<u>100% Benefit</u>
0.5	18	28.8
1.0	16	25.6
1.5	14	22.4
2.0	12	19.2

An employee paid for less than the minimum number of hours required for the fifty percent (50%) benefit shall receive no recognized holiday benefit.

d. Monday-Friday Schedule

If an employee's scheduled days off are Saturday and Sunday during a standard City workweek in which a recognized holiday falls, the following shall apply:

- (1) If the recognized holiday falls on a Saturday, the preceding Friday shall be considered the employee's holiday.
- (2) If the recognized holiday falls on a Sunday, the following Monday shall be considered the employee's holiday.
- (3) An employee who is scheduled to work on a recognized holiday shall receive holiday pay plus time and one-half compensation for working the holiday.

e. Weekend Schedule

If an employee's scheduled days off are other than Saturday and Sunday during the standard City workweek in which a recognized holiday falls, the following shall apply:

- (1) The actual dates as listed above shall be considered as the employee's holiday.
- (2) If the recognized holiday falls on the employee's scheduled day off, the employee shall accrue holiday credit for the hours of the holiday benefit.
- (3) An employee who is regularly scheduled to work on a recognized holiday shall receive holiday pay plus time and one-half compensation for working the holiday.

f. Holiday Credit Accumulation

The maximum holiday credit accumulation is fifty-six (56 hours). Any amount over fifty-six (56) hours shall be paid to the employee at their straight-time hourly rate of pay. Holiday credit may be taken by the employee at the discretion of the Department Head.

g. Consecutive Christmas or Thanksgiving Days

- (1) If an employee, within the same permanent job classification, works on three (3) consecutive Christmas Days or three (3) consecutive

Thanksgiving Days, such employee shall receive holiday pay plus time and one-half (1.5) for all hours worked on the holiday plus eight (8) hours holiday credit for working the third consecutive Christmas Day or Thanksgiving Day. An employee must notify their Superintendent that they are scheduled to work three (3) consecutive Christmas Days or Thanksgiving Days, a minimum of forty-five (45) calendar days prior to such third consecutive Christmas Day or Thanksgiving Day to be eligible for the above-stated benefit.

- (2) To avoid payment of the above-stated benefit, the City shall have the right to reschedule one of the employee's regularly scheduled days off for the third consecutive Thanksgiving or Christmas. Considering the request of the employee, the regular days off to be rescheduled shall be one of the employee's two (2) consecutive days off immediately preceding or immediately following the applicable holiday. Once the forty-five (45) day notice is given, the City shall have the right to reschedule the employee. If the employee does not give the forty-five (45) day notice they are not eligible for the extra compensation but may give the required notice if scheduled to work a fourth consecutive Thanksgiving or Christmas. The employee who gives the forty-five (45) day notice and is rescheduled must begin the consecutive Thanksgiving or Christmas count over again.

h. Floating Holidays

(1) Accrual

- (a) In addition to the recognized holidays specified above, employees shall receive the equivalent of two (2) floating holidays per calendar year accrued as follows:
 - (i) Full-time career employees shall accrue forty (40) minutes of floating holiday on each of the first two (2) paychecks each month as long as the employee is in paid status forty (40) or more hours on the paycheck that the accrual would occur.
 - (ii) A part-time career employee, including an employee in a work sharing program or a non-career (+1,040) employee shall accrue floating holiday credit based on the number of hours for which the employee was paid in that bi-weekly pay period: 64 or more hours paid = 100% accrual; 40-63.9 hours paid = 50% accrual.

(2) Administration

- (a) The scheduling of floating holiday time must be approved in advance by the appointing authority or designee.

- (b) An employee may carry over from the preceding calendar year a maximum of eight (8) hours of floating holiday. All floating hours accrued and not used in excess of eight (8) hours shall be paid to the employee at the employee's straight-time hourly rate of pay on the final paycheck of the calendar year in which it was earned.
- (c) An employee separating from City employment for any reason shall be paid for all accrued floating holiday time at the straight-time hourly rate of pay.

(3) Close Operations/Conversion of Floating Holiday

- (a) The City may elect to close operations for a full day on Christmas Eve and New Year's Eve and eliminate one (1) floating holiday. The City agrees to meet and confer on the impacts associated with the implementation of the conversion of the floating holiday to the extent required by law.

i. Christmas Eve and New Year's Eve Holidays

In the event an eligible employee cannot be scheduled off the last four (4) hours of the work shift, or applicable pro-ration for part-time employees, on the two (2) four (4) hour recognized holidays before Christmas and New Year's, the holidays shall be observed as a single holiday, at the discretion of the City, on Christmas Eve or New Year's Eve.

9.2 VACATION

a. Vacation Leave Accrual

- (1) Employees with less than five (5) full years of service shall earn eighty (80) hours of vacation each year which shall accrue at three (3) hours, twenty (20) minutes on each of the first two (2) paychecks each month.
- (2) Employees with more than five (5) full years of service and less than fifteen (15) full years of service shall earn one hundred twenty (120) hours of vacation each year which shall accrue at five (5) hours on each of the first two (2) paychecks each month.
- (3) Employees with more than fifteen (15) full years of service shall earn one hundred sixty (160) hours of vacation each year which shall accrue at six (6) hours, forty (40) minutes on each of the first two (2) paychecks each month.
- (4) Continuous career service and contiguous non-career service prior to the date of appointment to a career classification shall be used to

determine the vacation accrual date used in determining the above accrual rates.

(5) An employee's maximum accrual of vacation shall not exceed four hundred and eighty (480) hours. Accrual shall be suspended until the balance is brought below the maximum accrual amount. Accrual will resume on the applicable paycheck following the paycheck in which the balance is brought down.

b. Employees who are eligible to receive a cash payment in-lieu of vacation leave, as provided in Section 107(d) of the Sacramento City Charter, may make an irrevocable election to receive such payment by foregoing the same number of vacation hours in the calendar year following the election. Notification of the election must be made to the Payroll Division, Department of Finance, in writing by November 30. The in-lieu payment will be made to the employee on the last paycheck in March of the calendar year following the election. Payment shall be made at the straight time hourly rate of pay the employee is receiving at the time payment is made. If the employee electing the in-lieu payment separates from City employment for any purpose before receiving the in-lieu payment, the employee forfeits any right to receive the payment, but will instead have their vacation leave balances credited with the amount of hours that would have accrued from January 1 to the last day of employment.

c. Integration of Vacation with Workers' Compensation

Where a career employee sustains an injury covered by workers' compensation and has utilized all of the one year "injury-on-duty time" as provided under City Charter Section 253, or former City Charter Section 167, as the case may be, and consequently is receiving straight workers' compensation temporary disability payments, the employee will be allowed to utilize (while off work) accrued vacation time in partial day increments in addition to receiving workers' compensation temporary disability payments with the total aggregate payment of temporary disability and vacation pay not to exceed one hundred percent (100%) of the employee's regular rate of pay. As a condition of so using such accrued vacation, however, the employee is required to continuously utilize accrued vacation until accrued vacation is exhausted or they return to work. This provision also applies to any accrued leave with the exception as noted in 9.4, Sick Leave.

d. Vacation Scheduling

(1) Employees shall submit a written request on or before May 1 of each year to receive priority for the vacation period desired. Vacations will be assigned on a "first come, first served" basis as work schedules permit. In the event two (2) employees request the same vacation period simultaneously, the conflict will be resolved in favor of the

employee with the greater seniority within the current classification. In case of a tie, the vacation preference of the employee with the greatest City service seniority shall prevail. Seniority shall be exercised only once by each employee in each successive choice of vacation periods. Requests for vacation after May 1 will be granted only where vacancies exist or manpower requirements permit. Employees may request vacations of any duration, which may be granted with the approval of the Department Head or designee. The supervisor may approve any vacation request which is not submitted in writing at least twenty-four (24) hours prior to the requested vacation period.

- (2) Non-career employees shall be eligible to request vacation after career employees have done so.

9.3 SICK LEAVE

a. Accrual and Usage

- (1) A full-time employee shall accrue sick leave at the rate of four (4) hours on each of the first two (2) paychecks each month which may be used at the discretion of the employee in the event of illness or injury which is not job-related. In accordance with the Rules and Regulations of the Civil Service Board, one-third (1/3) of the employee's accrued sick leave may be used after exhaustion of injury-on-duty time; however, the combination of temporary disability payments and sick leave pay shall not exceed one hundred percent (100%) of the employee's regular rate of pay. Such usage shall not exceed the maximum amount of the employee's accumulation. A part-time career or non-career (+1,040) employee shall earn sick leave on a pro rata basis.
- (2) An employee who while on vacation is bedridden for three (3) or more days, or hospitalized for one or more days, due to illness or injury may have such days charged to accrued sick leave provided the employee submits appropriate written verification from the treating doctor or the hospital in which they were confined.
- (3) Employees who have at least four hundred and eighty (480) hours of sick leave on the last day of the pay period ending on or before November 1 in any calendar year, may make an irrevocable election to forego the accrual of not more than twenty-four (24) hours of sick leave during the following calendar year and receive instead a cash payment for the number of sick leave hours designated in the election.
- (4) Notification of the irrevocable election must be made in writing to the Payroll Division, Department of Finance, between November 1 and November 30. The payment will be made on the last paycheck in May of the calendar year following the irrevocable election. Payment shall

be made at the hourly rate of pay the employee is receiving at the time the payment is made.

- (5) If the employee electing the payment is separated from City employment before receiving the payment, the employee forfeits any right to the payment, but will instead have their sick leave balances credited with the sick leave hours the employee would have accrued from the January 1 following the date of election to the last day of employment.

b. Sick Leave Cash-Out/Conversion To PERS Service Credit

(1) PERS

- (a) PERS members hired prior to January 1, 2005, with more than twenty (20) years of City service, shall be eligible to cash out sick leave and/or convert sick leave to PERS service credit upon separation as follows:
 - (i) Eligible employees may receive payment for thirty-three and one-third percent (33-1/3%) of the total sick leave credits accumulated (to the nearest full day) by the employee on the date of their retirement, resignation, or layoff.
 - (ii) Eligible employees with an effective retirement date from PERS within one hundred twenty (120) calendar days of their separation from City service may also convert any or all of their total sick leave credits accrued, less any payment received pursuant to sub-paragraph (i), above, to PERS service credit as of the date of their retirement consistent with and pursuant to the PERS contract with the City, as amended.
 - (iii) Individuals identified pursuant to California Government Code Section 53245 as being the person designated on the employee's "Designation of Person Authorized to Receive Warrants" form, or in the absence of an identified person pursuant to California Government Code Section 53245, persons entitled by law to the possession of the estate of a deceased employee who was eligible to cash out sick leave credits pursuant to sub-paragraph (i), above, may receive payment for thirty-three and one-third percent (33-1/3%) of the total sick leave credits accumulated (to the nearest full day) by the employee on the date of the employee's death.

- (b) Employees hired, rehired, or reemployed on or after January 1, 2005, shall not be eligible for payment of any portion of accumulated sick leave credits upon retirement, resignation, or layoff regardless of their years of service. However, employees hired, rehired, or reemployed on or after January 1, 2005, may convert their remaining sick leave balance to service credit consistent with law and pursuant to the PERS contract with the City upon separation of employment for retirement.
- (c) No employee whose services are terminated by reason of discharge for cause shall be eligible for payment of any portion of accumulated sick leave credits.

(2) SCERS

Upon termination of any employee in SCERS eligible to accumulate sick leave credits for reasons of retirement, resignation, and/or layoff after service for a period of not less than two (2) years, or death, such employee (or those entitled by law to the possession of the estate of a deceased employee) shall receive payment for thirty-three and one-third percent (33-1/3%) of the total sick leave credits accumulated (to the nearest full day) by the employee on the date of such retirement, resignation, layoff, or death. No employee whose services are terminated by reason of discharge for cause, or by reason of resignation or layoff prior to the completion of two (2) years of service, shall be eligible for payment of any portion of accumulated sick leave credits.

c. Reinstatement of Sick Leave After Return From Layoff

Any employee who is laid off and receives payment for thirty-three and one-third percent (33-1/3%) of their total accumulated sick leave credits shall be credited with the remaining sixty-six and two-thirds percent (66-2/3%) of their accumulated sick leave credits if and when said employee is recalled. If said employee thereafter leaves City service after being recalled and is entitled to payment of their accumulated sick leave credits under this Section, said employee shall only receive payment for thirty-three and one-third percent (33-1/3%) of those sick leave credits which accrued after the date of recall.

d. Utilization of Sick Leave

Use of sick leave is governed by the Citywide Sick Leave Policy, the Rules and Regulations of the Civil Service Board, Rule 16 and Attachment A to the Rules and Regulations of the Civil Service Board.

e. Administration of Sick Leave

The Rules and Regulations of the Civil Service Board relating to the administration of sick leave privileges and benefits and the Citywide Sick Leave Policy shall apply to all eligible employees.

f. Sick Leave Credit Limitation

Except as provided herein, no payments made or sick leave credits accumulated shall be construed or deemed to constitute retirement benefits payable to employees of the City.

g. Sick Leave Verification

Departments shall notify and receive approval from the Citywide Leave Administrator in the Department of Human Resources, prior to placing employees on sick leave verification to ensure compliance with appropriate laws and policies. Employees placed on sick leave verification may request to be removed after three (3) months, or earlier based upon appropriate City policy. If it is determined by the Citywide Leave Administrator in the Department of Human Resources that the employee is in compliance with the policy, the employee shall be removed from sick leave verification. If the employee is not in compliance, the employee may request to be removed on a monthly basis thereafter.

9.4 COURT LEAVE

a. When an employee is absent from work to testify in response to a subpoena issued by a court of competent jurisdiction in a non-work related matter to which the employee is not a party, or to serve on a jury or to report for jury duty examination, the employee shall be granted pay for those hours which the employee is absent for such reason. The City may require the employee to elect to be on telephone alert and remain on the job until such time as called to testify or serve jury duty. When an employee is required to be on telephone alert, the employee will cooperate with the court or Jury Commissioner and the City will be responsible to ensure that the employee is available for jury duty. Pay for work time lost shall be computed at the employee's straight time hourly rate of pay at the time of such absence. The employee shall return all witness fees or jury remuneration received, less transportation allowance, to the City.

b. A swing shift or graveyard shift employee shall notify the supervisor, whenever possible, well in advance of the expected date(s) of court appearance or jury duty. The supervisor, when notified in advance, shall change the employee's shift from swing or graveyard to a day shift for the day(s) court appearance or for duration of jury duty. Employee's shifts shall be changed to a "day shift" only for days on which the courts are in session. The regularly assigned days of work shall remain the same.

- c. If the swing or graveyard shift employee serves in excess of one-half the scheduled shift in court or on jury duty, the employee will notify the supervisor so they will be excused from the remaining day shift. If the employee is in court or on jury duty less than one-half of the day shift, the employee will be required to return to work.
- d. A graveyard shift employee may request to take off the shift after the court leave and use accrued vacation or other leave accruals to cover the shift.
- e. To receive pay for work time lost, an employee must provide the City with a statement signed by an official of the court certifying the employee's service as a witness or juror or appearance in court for such purposes, the date or dates of attendance, the time released from attendance and the compensation paid exclusive of any transportation and subsistence allowance.
- f. When a non-career employee is regularly scheduled to work and is ordered to report to testify or for jury duty said employee shall be entitled to court leave benefits in accordance with the above-stated procedure.

9.5 PARENTAL LEAVE

- a. Effective January 12, 1991, the current Pregnancy Disability Leave Policy for female employees shall be replaced by a parental leave policy for both male and female employees with the following provisions:
 - (1) Full-time career employees shall be eligible for a maximum City-paid parental leave of four (4) weeks consisting of up to one hundred-sixty (160) hours of continuous paid time off. Part-time career employees shall be eligible for up to eighty (80) hours of continuous City-paid time off during the four (4) week parental leave. Unused parental leave shall have no cash value. Non-career employees are not eligible for the four (4) weeks of City-paid parental leave.
 - (2) To be eligible for the paid leave an employee hired on or before June 23, 1995 must have completed at least 2,080 hours of service from the most recent date of hire, or an employee hired on or after June 24, 1995 must have completed at least 6,240 hours of service from the most recent date of hire, preceding either (a) the birth of a child who resides with the employee and for whom the employee has legal custody, or (b) the adoption of a child under age four (4) who resides with the employee and for whom the employee has physical and legal custody. Court-appointed legal guardians and foster parents do not qualify for parental leave.
 - (3) Eligible employees shall have the right to only one leave of absence per pregnancy or adoption regardless of the number of children involved (e.g., twins). The duration of City-paid leave shall not change

based on a change in employment status, such as from part-time to full-time career.

- (4) Upon return from parental leave on the date previously authorized, employees shall be reinstated in the former Department and in the classification last held.
 - (5) Eligible employees shall have the right to extend parental leave beyond the four (4) weeks of City-paid leave to the maximum six (6) months of leave by adding accrued and available hours of sick leave, vacation, compensatory time off (CTO), accrued holiday, and/or unpaid leave to their initial request for parental leave. The total period of absence from work, including the four (4) weeks of paid parental leave, shall not exceed six (6) months.
 - (6) Paid parental leave shall be considered as time worked for purposes of eligibility for recognized holidays occurring during the leave.
- b. The City shall have the right to promulgate a policy and procedure to implement and administer parental leave.

9.6 CATASTROPHIC LEAVE PLAN

- a. A benefit-qualified employee may donate to or receive from an unrepresented employee, or a represented employee whose bargaining agreement provides for such donation or receipt, usable vacation, floating holiday, management leave, or compensating time off hours. Participation in this plan shall be voluntary. Sick leave may not be donated under this plan.
- b. All donations shall be made and accepted in writing using City-provided forms.
- c. The donation in any category must be a minimum of eight (8) hours of usable time.
- d. Donations shall be on an hour-for-hour basis, regardless of the pay rates of the donor and recipient, except hours transferred between employees on the Fire Suppression fifty-six (56 hours) schedule and the non-Fire Suppression forty (40 hours) schedule shall be adjusted by a factor of 1.4 to 1.
- e. Hours to be donated shall be kept in a pledge status until used. As needed, pledged hours shall be debited from the donor's leave balance and credited to the recipient's usable vacation accrual balance. Once credited, the donation becomes irrevocable. A donor terminating for any reason shall be paid for pledged but unused leave time.
- f. Management employees may only receive donations from management employees. A non-management employee may not receive donations from a subordinate employee where a direct supervisor/subordinate relationship

exists. Any exception to this paragraph must be approved by the City Manager or designee.

- g. To be eligible to use donations, an employee must:
 - (1) be incapacitated and unable to work due to a prolonged catastrophic non-industrial illness or injury which is estimated to last for at least thirty (30) calendar days;
 - (2) have exhausted all usable balances, including sick leave;
 - (3) be on an approved leave of absence.
- h. All donated hours must be used on a continuous and uninterrupted basis and will be paid at the rate of pay and normal work schedule of the recipient, along with all usable hours accrued, until the earliest of the following events occurs:
 - (1) All leave balances, including both donated and accrued leave, are exhausted; or
 - (2) The employee returns to work at their normal work schedule; or
 - (3) The employee's employment terminates.
- i. Donations received while a recipient is still utilizing previously donated and related accrued leave time may be used immediately thereafter. Hours donated subsequent to exhausting all donated hours shall be accumulated and utilized along with related accrued leave hours in amounts equal to the recipient's normal bi-weekly work hours.
- j. Used donated leave time shall count toward the application of City service and benefits in the same manner as when the employee is on paid vacation leave.
- k. Used donated leave time shall be subject to the recipient's normal payroll deductions.

9.7 PERSONAL TIME OFF (PTO)

- a. Full-time career employees who have completed ten (10) full years of City service shall be credited with twenty-four (24) hours of personal time off (PTO). Part-time career employees shall be credited with a prorated amount of time based on their regular schedule. Eligible employees will receive this PTO each year on the paycheck representing the first full pay period that includes January 1.
- b. Employees who separate service and who are subsequently reemployed, pursuant to Article 12.2(b)(5)(a), into a classification covered by this Agreement, will receive credit toward PTO eligibility for their previous years of

City service upon successful completion of probation, on a go-forward basis. For purposes of determining eligibility to receive PTO, pursuant to this paragraph, an employee must complete probation prior to January 1 of the calendar year in which it is provided.

- c. Use of PTO shall not cause overtime.
- d. PTO shall not accumulate from year to year and shall have no cash value. If an employee is unable to use all of the time by the end of the calendar year based on operational need, the Department may approve carry-over to the next year. In all other cases, the time shall be forfeited.

9.8 STATE DISABILITY INSURANCE (SDI)

- a. Eligible career employees who file for SDI benefits in accordance with applicable State of California rules and procedures may integrate such SDI benefits with their own leave balances. Integration is where the SDI benefit and the monetary value of the employee's leave balances combine to provide a bi-weekly adjusted net income which is equivalent to 100% of the employee's regular net income so long as available leave balances and SDI eligibility permits. The regular net income is the employee's gross income, less any required deductions such as taxes, retirement and SDI insurance premiums, as well as any other mandatory deductions. Other employee-authorized deductions shall be deducted from the resultant net pay.
- b. Eligible career employees may integrate the following accrued City leave balances with SDI:
 - (1) Sick Leave
 - (2) Personal Leave
 - (3) Compensating Time Off (CTO)
 - (4) Holiday Leave
 - (5) Vacation Leave
- c. Eligible part-time career employees shall be included in this program on a pro-rata basis.

9.9 BEREAVEMENT LEAVE

An employee may receive up to twenty-four (24) hours of City-paid leave for bereavement based on the death of the employee's spouse, parent, sibling, child, grandchild or grandparent as defined herein. The employee may use sick leave as authorized by Civil Service Board Rule 16, Sick Leave, for additional time off or to attend to other death, bereavement or funeral needs.

9.10 PAID CITY LEAVE (PCL)

- a. Employees who are employed in a classification covered by this Agreement on January 1, 2022, shall receive a one-time leave bank contribution of thirty-five (35) hours of Paid City Leave. This Paid City Leave shall not expire, and shall have no cash value except as follows:
 - (1) Employees receiving Paid City Leave contribution described in Section 9.10(a) may make an irrevocable election to receive a cash payment in lieu of using the leave. Notification of the election to receive this cash payment must be made to the Payroll Division, Department of Finance, in writing by November 30, 2022. Employees making the irrevocable election shall receive the payment on their paycheck representing the first pay period following their election at the straight time rate of pay they are receiving at the time of payment, less ordinary payroll deductions.
 - (2) Upon separation from City service, employees with a balance of the Paid City Leave described in Section 9.10(a) shall receive a payment for the Paid City Leave balance at the straight time rate of pay they are receiving at the time of the payment, less ordinary payroll deductions.

ARTICLE 10 – SPECIAL ALLOWANCES

10.1 STANDBY ASSIGNMENTS

- a. Employees who are required to remain on standby for emergency work shall be paid \$280.00 per week, or the daily pro rata rate of \$40.00, in addition to their regular compensation. Employees who are called out while on standby shall receive two (2) hours minimum pay at their regular rate of pay, or consistent with Article 11.3, and one and one-half (1 ½) times their regular rate of pay, whichever is greater.
- b. Effective July 13, 2024, employees who are required to remain on standby for emergency work shall be paid \$329.00 per week, or the daily pro rata rate of \$47.00, in addition to their regular compensation. Employees who are called out while on standby shall receive two (2) hours minimum pay at their regular rate of pay, or consistent with Article 11.3, and one and one-half (1 ½) times their regular rate of pay, whichever is greater.
- c. Employees who are on standby assignment on New Year's Day, Christmas Day, Thanksgiving Day or the 4th of July shall receive twelve (12) hours of holiday credit.
- d. If an employee is assigned to standby and receives telephone contacts and engages in problem resolution which totals in excess of fifteen (15) minutes, the employee shall receive the two-hour minimum, or actual time worked,

whichever is greater. Additional calls during that two-hour period are covered under that minimum time.

- e. An employee who is on standby and required to report to the Pioneer Reservoir Plant, Sump 2 or Sump 2A shall be paid mileage at the IRS rate for the use of their personal vehicle to and from home and the reporting location. In the event that an employee assigned to these sites must travel to another location, the employee shall utilize a City vehicle for such additional travel.
- f. An employee who is on standby and required to report to any location other than those identified in (d) above shall be paid mileage at the IRS rate for the use of their personal vehicle to and from home and any City facility where the employee will obtain a City vehicle to report to the assigned location.
- g. The City will maintain at least one (1) vehicle for on-call/standby use at three (3) locations identified in (d) and (e).
- h. Employees who are issued a City cell phone, laptop and/or pager are not on standby unless assigned by the appointing authority.
- i. With the exception of sick leave, employees may use any type of authorized leave, including, but not limited to, vacation; CTO; holiday credit; etc. during their standby assignment, so long as they remain available for their standby assignment. An employee utilizing sick leave who is unable to work due to a personal illness, shall not receive standby pay for the day(s) out sick. Employees who fall ill after hours while they are on standby, shall notify the Standby Supervisor who will find a replacement for the day(s) the employee is out sick. The standby assignment may resume when the employee returns to work.

10.2 CALL-BACK/CALL-IN PAY

- a. An employee who has completed their regular shift and has left City premises and is called back to work, shall receive a minimum of two (2) hours pay at straight time base rate of pay, or the overtime rate of time and one-half consistent with Article 11.3.
- b. Provided, however, that this shall not apply to an employee who is requested to report early for their assigned shift, i.e., who is ordered to report for duty earlier than the scheduled time for the commencement of their shift, and who continues on duty for their scheduled shift. An employee who is called to work early in this manner without sixteen (16) hours prior notification shall receive a minimum of one hour's pay at straight time base rate of pay, or the overtime rate of time and one-half, consistent with Article 11.3, and shall be allowed to complete their regular shift.
- c. In the event an employee is required by the City to work extended overtime hours which do not allow the employee to obtain a minimum opportunity to

recuperate prior to beginning their next regularly scheduled work shift, and the employee's supervisor agrees that the employee would be in unfit condition to begin work as scheduled, the supervisor shall grant the employee reasonable recuperation time, with no loss of pay, prior to reporting for work. It is recognized that the City's ability to allow such recuperation time may be limited by the circumstances and/or conditions which necessitated the original extended overtime hours.

10.3 TEMPORARY WORK IN A HIGHER CLASSIFICATION

- a. Temporary assignments to higher classifications shall be permitted only in those classifications where in the judgment of the Department Head or designee, it is necessary to maintain proper and efficient departmental operations. An employee temporarily assigned to a higher classification shall be compensated for the duration of the out-of-classification assignment by the payment of five (5) percent of the regular salary the employee received prior to the out-of-classification assignment, or the salary provided for in Step 1, as applicable, of the higher classification, whichever is greater, but not to exceed top step of the higher classification. The assignment may be confirmed in writing at a later time. Departments may establish internal tracking and approval systems for out-of-classification pay administration.
- b. Temporary work in a higher classification shall first be offered to career employees. If no career employee desires the temporary work in a higher classification said assignment may then be offered to a non-career employee.
- c. The City recognizes that temporary work in a higher classification shall not be used as a device for circumventing career civil service positions.
- d. When such a temporary assignment to a higher classification is to be filled by an employee, the City shall, whenever practicable, distribute such temporary assignments evenly among available qualified employees at the affected work location, subject to the following over-riding considerations: (1) relative experience and capability in performing the required job functions, and (2) relative disruptive effect on the established work schedule.

10.4 SHIFT DIFFERENTIAL

- a. Employees who work five-eighths (5/8) or more of their regular work shift in the period extending from 6:00 p.m. to 6:00 a.m., shall receive for the entire shift a night-shift differential of five percent (5%) in addition to their regular wage. Employees who work less than five-eighths (5/8) of their regular work shift in the period extending from 6:00 p.m. to 6:00 a.m. shall receive for those hours worked (to the nearest one-half hour) within this period, a night-shift differential of five percent (5%) in addition to their regular wage.
- b. Notwithstanding the above, the Relief Plant Operators and the relief operator at Sump Two who are assigned the regular rotating shifts shall be eligible to

receive the five percent (5%) shift differential for all regular shifts worked while on the relief schedule.

- c. Effective April 4, 2026, subsections (a) and (b) above will be replaced by the following:
- (1) Swing Shift shall be defined as hours worked between 6:00 p.m. and 12:00 a.m. Employees who work five-eighths (5/8) or more of their regular work shift between 6:00 p.m. and 12:00 a.m., shall receive a swing shift differential of five percent (5%) of their base rate of pay for the entire shift.
 - (2) Graveyard Shift shall be defined as hours worked between 12:00 a.m. and 6:00 a.m. Employees who work five-eighths (5/8) or more of their regular work shift between 12:00 a.m. and 6:00 a.m., shall receive a graveyard shift differential of seven percent (7%) of their base rate of pay for the entire shift.
 - (3) Employees who work less than five-eighths (5/8) of their shift, including overtime hours, within the defined swing or graveyard periods shall receive the applicable differential of their base rate of pay on an hour-for-hour basis, rounded to the nearest one-half (0.5) hour.
 - (4) Relief Plant Operators and the relief operator at Sump Two who are assigned to the regular rotating shifts shall, for any workweek in which they work at least one swing or graveyard shift, as defined above, receive the greater of the applicable swing or graveyard shift differential of their base rate of pay for all hours worked in that workweek. If no swing or graveyard shift is worked in the workweek, no shift differential shall apply.
 - (5) Swing and graveyard shift differentials are additive and do not compound with any other pay or benefit.

10.5 TUITION REIMBURSEMENT

The City agrees to reimburse career employees for the cost of tuition, books, and fees, excluding parking, up to a maximum of \$1,500.00 per calendar year pursuant to the City's existing policy for such education reimbursement. This provision shall not apply to employees eligible for an educational incentive program.

In addition, the Department may authorize tuition reimbursement for training through other approved sources.

10.6 CONTINUING EDUCATION

- a. Where the City requires that an employee maintain a license or certificate which mandates continuing education units (CEUs) to maintain the license or

certificate, the employee shall be responsible for obtaining the CEUs. Where feasible, the city will provide the needed CEUs on-duty.

- b. When the City provides such training, CEU credit not received through the City shall be the responsibility of the employee. When the City does not provide required CEU training, the employee may request that the Department approve and pay for the training and allow the employee to attend on City time. Upon approval, the City shall reimburse the employee upon obtaining the continuing education units. Such request shall not be unreasonably denied.

10.7 REQUIRED LICENSES AND CERTIFICATIONS

Where the City requires that employees maintain licenses and/or certifications required by federal, state or local government law, the City agrees to pay the cost of licenses and/or certifications required in the water treatment and waste water treatment operations. This Section shall not apply to driver licenses.

10.8 CERTIFICATE INCENTIVES

- a. The following incentive certificate pay shall be paid to eligible employees in the classification of Junior Plant Operator, Plant Operator, and Senior Plant Operator and shall be administered as follows:

- (1) An eligible employee is an employee who possesses a current California State Certified Water Treatment and/or Waste Water Operators certificate above the minimum requirements set by state regulation for performing duties and responsibilities as a Plant Operator.

- (2) An eligible employee shall be paid the incentive pay for the highest level water treatment or waste water certificate maintained. Incentive pay shall not be cumulative.

- (3) The incentive pay shall be paid as follows:

Category "2"	\$150.00 per month
Category A3"	\$300.00 per month
Category A4"	\$450.00 per month
Category A5"	\$600.00 per month

- (4) An employee who is required to maintain, or who obtains for City benefit, a crane operator license shall receive a biweekly certification pay of fifteen dollars (\$15).

- (5) During the term of this Agreement, should the City agree to establish Water Distribution Certificate Pay for classifications represented by Local 447, the same certificate pay(s) shall be provided to employees

in the classifications Junior Plant Operator, Plant Operator, and Senior Plant Operator.

- b. Where applicable, employees in the classification of Stationary Engineer and Senior Stationary Engineer who possess and maintain the following certificates, which are not minimum qualification requirements, will receive certificate incentive pay as follows:
 - (1) HVAC Electrical Plumbing; steam boiler systems operation and maintenance; heating system specialist; hydronic systems; programmable direct digital control systems; asbestos abatement; and/or Forklift Operator.
 - (a) "HVAC" certificate shall mean an employee who possesses and maintains a "Universal" certificate.
 - (b) Programmable Direct Digital Control (PDDC) certificate shall mean certification by Yamas Computer Systems and/or Johnson Computer Systems.
 - (2) Eligible employees shall be paid incentive pay at the flat dollar rate of \$25.00 per certificate per month for a maximum of \$100.00 per month.
- c. Where applicable, employees in the classification of Stationary Engineer and Senior Stationary Engineer who possess and maintain certificates required by the Department Head, or their designee, which are not minimum qualification requirements, shall be eligible to receive Programmable Building Energy Management Control System certificate incentive pay at the flat dollar rate of \$425.00 per month.
- d. Within ninety (90) calendar days of adoption of this Agreement by the City Council, at the written request of the Union, the parties agree to meet and discuss certification incentives. Absent mutual agreement, the status quo shall continue. The rights created by this subsection 10.8 (d) shall expire on December 22, 2208, unless expressly renegotiated by the parties.

10.9 TECHNOLOGY ALLOWANCE

- a. In the event the appointing authority requires an employee to go on-call/standby and use a cellular phone to conduct City-related business, the employee will receive a monthly technology allowance of one hundred dollars (\$100.00) in lieu of using a City-provided cellular telephone.
- b. Employees who refuse to work on call/standby, or who have the option of working on call/standby and elect not to do so, are ineligible for the allowance.
- c. Use of City-provided cellular telephones shall be discontinued upon receipt of the technology allowance by the employee.

- d. Upon approval of the monthly technology allowance the employee shall provide and maintain a personal cellular phone and service that is available to conduct City-related business. The employee shall provide the cellular telephone number to designated individuals and organizations with whom the employee normally conducts City-related business.

10.10 PROFESSIONAL ENRICHMENT

Career employees shall receive six hundred dollars (\$600) on the first check in December for professional enrichment. Employees must be on the payroll for the full period in which the payment is made to receive this benefit. Payment shall be prorated based on FTE status.

ARTICLE 11 – HOURS OF WORK

11.1 WORK SCHEDULE

- a. The workweek shall begin at 12:01 a.m. Saturday, and end at 12:00 midnight the following Friday. Except for employees on the four on/two off/five on/two off work schedule, the normal workweek for full-time career employees shall consist of forty (40) hours of work. The normal workday for full-time career employees shall consist of eight (8), nine (9), or ten (10) working hours and begin at 12:01 a.m. and end at 12:00 midnight daily.
- b. The existing work schedule of four (4) consecutive days on/two (2) consecutive days off/five (5) consecutive days on/two (2) consecutive days off, for employees assigned to Waste Water and Water Treatment Plants shall continue. The existing work schedule of five (5) consecutive days on/two (2) consecutive days off for all other employees in the Plant Operator Unit shall be continued. All employees shall have a regular starting and stopping time. Stationary Engineers shall not have permanent rotating shifts.
- c. Notwithstanding subsection (b) above, the City may establish a workweek schedule consisting of forty (40) hours in increments of four (4), ten (10) hour workdays; five (5), eight (8) hour workdays; or a nine (9), eighty (80) workweek schedule consisting of four (4), nine (9) hour workdays, four (4), nine (9) hour workdays, and one (1), eight (8) hour workday during an eighty (80) hour bi-weekly period. The City shall negotiate with the Union thirty (30) days in advance of implementation of the four (4) ten (10) workweek, or nine (9) eighty (80) workweek schedule.
- d. Every employee shall have a regular lunch period of not less than thirty (30) minutes nor more than one (1) hour which shall be scheduled generally in the middle of the work shift. If any employee is required to remain at their workstation in a plant during their lunch period, they shall be considered as having worked eight (8) consecutive hours at the regular rate of pay and any

time worked over eight (8) hours shall be compensated at the overtime rate of one and one-half (1 ½) times the employee's regular rate of pay.

- e. Employees shall be given seven (7) days' prior notice to any permanent change in scheduled shifts. If an employee's shift or days off are changed without the above notification, they shall be paid one and one-half (1 ½) times the employee's regular rate of pay for all hours worked on the first day of the new shift.
- f. However, if an employee's shift is changed more than three (3) times in one calendar month, excluding overtime situations, the employee shall be paid one and one-half (1 ½) times their regular rate of pay for all hours worked on the fourth and subsequent rescheduled shifts during that one-month period.
- g. This Section shall apply to non-career employees only to the extent that non-career employees with a permanent shift schedule shall be given seven (7) days' prior notice of any permanent changes in scheduled shifts. If a non-career employee's shift or days off are changed without the above notification they shall be paid one and one-half (1 ½) times their regular rate of pay for all hours worked on the first day of the new shift.

11.2 SHIFT BIDS FOR STATIONARY ENGINEERS

- a. Career employees in the classification series of Stationary Engineer who are assigned to Convention and Cultural Services (CCS), shall be permitted to annually bid for work shift preference based on classification seniority.
- b. The annual shift bid shall be scheduled during the month of November.

11.3 OVERTIME AND COMPENSATING TIME OFF

- a. All employees shall have a regular starting and stopping time. Employees are eligible for overtime compensation at one and one-half (1.5) times their regular rate of pay when they work in excess of forty (40) hours in a workweek. With the exception of sick leave, all paid time shall count as time worked for the purposes of calculating overtime eligibility.
- b. Overtime compensation shall be paid by cash payment on the next payday following the pay period in which it was earned. In lieu of cash payment, Compensating Time Off (CTO) may be earned by mutual agreement between the employee and the Department Head or designee. The scheduling of CTO use must be approved in advance by the Department Head or designee.
- c. Overtime shall be distributed evenly among available qualified employees at the affected work location, subject to the following over-riding considerations: (1) relative experience and capability in performing the required job functions; and (2) relative disruptive effect on the established work schedule.

- d. Employees may accrue up to one hundred twenty (120) hours of CTO. The City may cash out CTO hours accumulated in excess of eighty (80) hours at any time provided that the use of such time off has not been previously approved.
- e. This Section shall apply to non-career employees except that career employees shall be offered overtime prior to non-career employees.
- f. Out-of-class incentive and/or night shift differential, if applicable, shall be included when calculating an employee's overtime rate of pay for all actual hours worked in said assignment.
- g. Cash-back provided to employees who opt-out of City sponsored medical insurance as provided in Section 8.5 (Cash-Back Limits), shall not be included in the employee's regular rate of pay when determining such rate for contract overtime.

ARTICLE 12 – LAYOFF

12.1 PURPOSE

This Article provides the procedure to be followed when an employee is to be displaced/laid off from their position.

12.2 DEFINITIONS

- a. Layoff A layoff shall be defined as the dismissal or displacement of at least one employee due to lack of work or lack of funds, abolishment of position, or for other reasons not reflecting discredit on an employee.
- b. Seniority
 - (1) **Classification Seniority:** Classification seniority shall be defined as the effective date of probationary appointment to the employee's current job classification, less any time spent in a lower classification due to a downgrade. In the case of an employee who is demoted or whose position is reallocated in accord with applicable Civil Service Board Rules and Regulations, classification seniority for the reallocated or demoted employee shall be mutually established by the City and the Union at the time of reallocation. Within a regression ladder, computation of classification seniority for a job classification lower than that in which the employee holds permanent status, the following seniority shall be counted: (1) classification seniority in any higher classifications within the regression ladder; (2) previous classification seniority in the job classification in which the employee is currently working; and (3) present time spent in the job classification in which the employee is currently working, minus any seniority adjustments.

- (2) **City Service Seniority:** City service seniority shall be defined as the effective date of appointment to the employee's first permanent career position.
 - (3) **Hire Date Seniority:** Hire date seniority shall be defined as the employee's first date of hire to any position with the City.
 - (4) **Seniority Adjustments:** Classification seniority and City service seniority shall be adjusted (reduced) in calendar days to reflect time spent on layoff from City service. There shall be no adjustment for time spent on an approved unpaid leave of absence.
 - (5) **Termination of Seniority:** Termination of classification seniority and City service seniority shall occur upon:
 - (a) Resignation, except that any employee who is appointed from a reemployment list and completes a probationary period, if any, in the position to which they were reinstated may count the seniority which they accumulated prior to resignation.
 - (b) Discharge.
 - (c) Retirement.
 - (d) Layoff in excess of five (5) consecutive years out of the City service.
 - (e) Failure to comply, report, or respond to a recall notice within fourteen (14) calendar days from the date of postmark on the recall notice.
- c. **Downgrade** A downgrade shall be defined as a change in job classification to which the top rate of pay is less than the top rate of pay of the employee's present classification due to a layoff. A downgrade shall only be allowed to the appropriate classification within the employee's regression ladder.
- d. **Regression Ladder** A regression ladder shall be defined as a classification series through which an employee may downgrade. Regression ladders for the Plant Operator Unit are as follows:
- (1) Senior Plant Operator
Plant Operator
Junior Plant Operator
 - (2) Senior Stationary Engineer
Stationary Engineer

- (3) Senior HVAC Systems Mechanic
HVAC Systems Mechanic
- e. Permanent Status For the purposes of this layoff procedure permanent status is attained in a job classification when an employee has successfully completed their probationary period in that job classification.
- f. Career and Non-Career Career employees shall be those employees in positions which are in the classified service who are required to serve a probationary period. Non-career employees are all other employees covered by this Agreement.
- g. Leave of Absence Employees on an approved unpaid leave of absence shall accrue seniority.
- h. Department The application of the term "department" for the sole purpose of layoff and/or downgrade of career employees shall mean:
- (1) The Department of Public Works shall be considered a single department.
 - (2) The Department of Utilities shall be considered a single department.
 - (3) The Departments of Youth, Parks & Community Enrichment and Convention & Cultural Services shall be considered a single department.

No future reorganization shall be construed to change this provision except by mutual agreement of the parties.

12.3 PROCEDURE

- a. Non-Career Employees When layoff is to occur within a job classification within a Department, all non-career employees in the regression ladder in which that job classification is found shall be laid off first. In no event shall a career employee suffer a layoff until all non-career employees in the affected regression ladder have been laid off. Non-career employees shall have no right to downgrade.
- b. Career Employees
- (1) Within each job classification in each Department in which a layoff occurs, employees shall be laid off in the following order: first, all provisional employees; second, all probationary employees in the order of their classification seniority, beginning with the employee with the least such seniority; and, third, permanent employees in the order of their classification seniority, beginning with the employee with the least such seniority.

- (2) Any provisional or probationary employee who is affected by a layoff or displaced by a downgrading employee shall return to the last Department and job classification in which the employee holds permanent status, if any. If the employee does not hold permanent status in another job classification, they shall be laid off. If the employee does hold permanent status in another job classification, they shall then be treated as a permanent employee in that job classification with respect to any layoff in that job classification.
- (3) Any permanent employee who is to be laid off or displaced shall have the right to downgrade, within the Department, in descending order, to job classifications within their regression ladder, provided that: (a) the employee meets all of the qualifications of the lower classification, and (b) can displace any employee in the lower classification. If there are any provisional employees in such lower classification, the provisional employee with the least City service seniority shall be displaced first. If there are no provisional employees in the lower classification, the probationary employee with the least City service seniority shall be displaced. If there are neither provisional nor probationary employees in the lower classification, the permanent employee with the least City service seniority shall be displaced, provided that the downgrading employee has greater City service seniority. If the permanent employee attempting to downgrade is unable to do so, they shall be laid off.
- (4) An employee may accept layoff in lieu of the opportunity to downgrade by notifying Labor Relations within five (5) normal workdays of receiving notice of layoff. Where employee accepts a layoff in lieu of a downgrade, said employee shall forfeit all recall rights except to a vacancy within the same classification from which the employee was laid off.
- (5) If two (2) or more employees have an equal amount of classification seniority, the senior employee shall be determined on the basis of greater City service seniority. If two (2) or more employees have an equal amount of City service seniority, the senior employee shall be determined on the basis of greater hire date seniority, then by random number, if necessary.
- (6) The application of this procedure is not intended to extend job assignment, work organization, or departmental preference to any employee affected by a layoff.

12.4 NOTICE OF LAYOFF

In the event of layoff, the City shall send by certified mail return receipt requested a layoff notice to all affected employees. Such notice shall be postmarked at least thirty (30) calendar days in advance of the effective date of layoff. Such layoff notice shall

be mailed to the employee's address currently in the City's payroll system, and shall be deemed appropriate notice. The employee(s) who is on a paid or unpaid leave shall be affected by the layoff in accordance with the provisions of this Article in the same manner as all other employees.

12.5 SALARY IN EVENT OF DOWNGRADE

- a. An employee who is downgraded through a regression ladder pursuant to this Article shall be paid in the new classification the salary range step closest to the monthly pay rate received immediately prior to downgrade providing there is no increase in pay.
- b. If appointed in the lower classification at other than top step, future salary step adjustment shall be made in accordance with Section 7.2, "Advancement in Rate of Compensation," with time served in the classification from which the downgrade occurred counting toward salary step advancement.
- c. Upon subsequent recall through a regression ladder the employee shall not receive in the next higher classification less than that received in the lower classification, provided however, that upon subsequent placement in the classification from which the employee was downgraded, salary step placement shall be at the salary step previously held. If, however, said salary step is less than that received in the classification to which the employee was downgraded, salary step placement shall be at the salary step immediately higher in the permanent classification. The anniversary date for future in-grade salary adjustments shall be the date of recall to the permanent classification.
- d. Salary as referred to in this Article shall be the salary range and respective salary step for the affected classification as set forth in the current salary schedule.

12.6 FRINGE BENEFITS

- a. Upon layoff, employees shall be paid for accrued leave balances that have a cash value at separation, per this Agreement, applicable ordinances, and rules. Employees who are subsequently recalled and who were eligible for sick leave cashout at the time of separation shall have any uncompensated portion of their sick leave balance restored in accordance with this Agreement, applicable ordinances, and rules. Only those sick leave hours accrued after recall shall be applied toward any future sick leave payoff, if eligible.
- b. Employees and their eligible dependent(s) enrolled in City medical, dental, or vision insurance coverage at the time of layoff may continue their coverage for the period of time permitted by the Consolidated Omnibus Budget Reconciliation Act (COBRA), whichever is greater, by advanced personal remittance for each. The employee and any enrolled dependent(s) will be responsible for the full cost of the monthly premiums for COBRA continuation

coverage. Payment for COBRA premiums shall be made by the payment deadline specified on the invoice issued by the health carrier or the City.

- c. Assistance with enrollment in COBRA coverage or information on eligibility for City retiree health benefits will be provided by the Benefit Services Division, Department of Human Resources, upon the request.

12.7 RECALL

- a. When a vacancy occurs in a job classification, the laid-off or downgraded employee(s) eligible to return to that job classification shall be recalled in the inverse order of their downgrade or layoff. When a recall list exists and an employee is on a reinstatement list due to a medical leave of absence, such employee will be merged with the employees on the established layoff eligibility list based on seniority. Permanent employees who were laid off or downgraded are eligible to return to the job classification in which permanent status is held within their regression ladder, or to lower classifications within the same regression ladder, but shall have no recall rights to any job classification to which provisional or probationary status was held at the time of layoff or downgrade. Provisional or probationary employees who had no permanent status in another job classification at the time of layoff shall have no recall rights. Non-career employees shall have no recall rights.
- b. Employees shall be entitled to recall rights for a period of five (5) consecutive years from the effective date of layoff or downgrade. The effective date of layoff shall be the employee's last day of work. The effective date of downgrade shall be the employee's last day of work in the classification from which they are downgraded. An employee who has downgraded and has not been recalled to the classification where permanent status is held within the five (5) year period shall gain permanent status for purposes of layoff in the classification to which the employee downgraded, or is currently working at the time recall rights are lost, whichever is higher in the regression ladder.
- c. When a vacancy exists and employees are to be recalled, notice of the opening(s) shall be sent to the mailing address as shown on the employee's last paycheck unless a more recent address has been furnished by the laid off/downgraded employee. To expedite recall, more than one (1) employee may be notified of an opening. This recall notice shall be by certified mail return receipt requested and the employee shall have fourteen (14) calendar days to report to work from the date of postmark on the recall notice. If said employee fails to report to work within fourteen (14) calendar days, they will lose all recall rights. An employee who has been laid off or downgraded shall be required to meet the physical and other qualifications of the classification to which they are being recalled, that existed at the time of layoff/displacement.

ARTICLE 13 – DISCIPLINE

13.1 DISCIPLINE FOR NON-CAREER EMPLOYEES IN CAREER CLASSIFICATIONS

- a. For non-career employees in career classifications and those not covered by the Rules and Regulations of the Civil Service Board, discipline shall be for just cause. Formal discipline shall include suspension, demotion, withholding of an in-grade salary increase, in-grade salary reduction, and termination.
- b. Appeals filed pursuant to this Article shall be filed at Step 2 of the grievance procedure. However, disciplinary action shall be grievable for non-career Stationary Engineer and Senior Stationary Engineer employees who have worked in excess of 1,040 hours since their last date of hire. Disciplinary action shall be grievable for non-career Junior Plant Operator, Plant Operator, and Senior Plant Operator employees who have worked in excess of 2,080 hours since their last date of hire. Hours worked as a Career Development Trainee shall not count toward the 1,040 or 2,080 hours needed to qualify to appeal discipline.
- c. A non-career employee may be released from their position at the discretion of the appointing authority at any time prior to working 1,040 hours or 2,080 hours, whichever is applicable, without right of appeal. Such release shall be confirmed in writing.

13.2 LETTER OF REPRIMAND

- a. A letter of reprimand issued on or after October 27, 1990, shall not be appealable, except the employee may have an administrative review of the reprimand by submitting a request in writing within seven (7) calendar days to the Manager of Labor Relations. The Manager or designee will schedule a meeting within seven (7) calendar days of receipt of the written request to hear the employee's response. A final written decision will be rendered by the Manager or designee within seven (7) calendar days of the meeting. This Section shall not be subject to the Grievance Procedure.
- b. When issuing a letter of reprimand, the City shall provide to the employee all available information upon which the reprimand is based, including but not limited to, fact-finding transcripts and written complaints filed. The City is not required to prepare transcriptions of audio-taped interviews to meet this obligation. However, if a transcript of audio-taped interviews is prepared, the City shall provide the transcript.

13.3 IN-LIEU DISCIPLINE

By mutual agreement between the appointing authority or designee and the employee, an employee suspended from duty without pay may forfeit accumulated holiday, compensating time off, and/or vacation credits equal to the number of hours of suspension in lieu of such suspension. If the suspension is reduced or reversed

at the conclusion of the appeal process, the City shall reinstate the forfeited credits. This provision shall not be subject to the grievance procedure.

13.4 DISCIPLINE TOLLING PERIOD

In all disciplinary matters, the City shall issue a letter of intent to discipline within 365 calendar days from the date of discovery of the misconduct by a person authorized to initiate an investigation of the misconduct. This time limitation shall be extended if any of the conditions referenced in the California Peace Officer Bill of Rights Act, as amended, (California Government Code §§3300 et seq.) exist during the 365 day period.

13.5 MEDIATION

The parties may participate in mediation in an attempt to settle disciplinary matters before a hearing with the Administrative Law Judge. Mediation shall be required if requested by either party and the parties will request a mediator from the State Mediation and Conciliation Service. All mediation proceedings shall be private. The mediator shall make no public recommendation, nor take any public position at any time concerning the issues. All costs of the mediation shall be borne by the requesting party.

13.6 DISCIPLINE APPEAL HEARING PROCEDURE

Disciplinary Appeals above a letter of reprimand shall be conducted pursuant to Rule 12 of the Rules and Regulations of the Civil Service Board.

An employee's appeal of discipline shall be heard by an Administrative Law Judge at the California Office of Administrative Hearings (OAH).

- a. The hearing shall be transcribed by a certified shorthand reporter. The appearance fees of the reporter will be borne equally by the City and the Union. If only one party orders a transcript, that party shall pay for the cost of transcription. If both parties elect to order a transcript, the parties will equally bear the cost of the original transcript and any necessary copies.
- b. The hearing shall be conducted pursuant to the procedures of Rule 12 of the Rules and Regulations of the Civil Service Board. On issues of procedure where the CSB Rules are silent, the California Administrative Procedures Act shall govern the proceedings.
- c. The City agrees that employees shall not suffer loss of compensation for time spent as a witness at a discipline hearing held pursuant to this procedure. The Union agrees that the number of witnesses requested to attend and their scheduling shall be reasonable.

13.7 DECISION

The Administrative Law Judge shall issue a written decision within thirty (30) days. The parties agree to jointly recommend the Administrative Law Judge's decision to the Civil Service Board, any dispute with the decision by a party shall be limited to the grounds specified in Section 1286.2 of the California Code of Civil Procedure.

13.8 WITHDRAWAL OF APPEAL

The employee may withdraw an appeal of discipline at any time prior to a decision by an Administrative Law Judge or the Civil Service Board. An appeal shall be deemed withdrawn if the employee fails to respond within thirty (30) days to a written request by the City to schedule a hearing or otherwise participate in the appeal process. The written request shall be certified and sent to the employee's mailing address as shown in the City's payroll system.

13.9 DISCIPLINE AND DOCUMENTED COUNSELING RETENTION

- a. Suspensions and pay reductions issued after June 30, 2014, will not be permanently placed in an employee's official personnel file. Suspensions and pay reductions will be withdrawn from the employee's official personnel file five (5) years from the date of issue provided there has not been additional formal discipline imposed during the five-year period. All suspensions and pay reductions removed from the employee's official personnel file will be retained in Labor Relations. Should an employee have subsequent discipline, the earlier disciplines may be used for purposes of progressive discipline.
- b. A letter of reprimand issued after October 27, 1990, will be withdrawn from an employee's official personnel file two (2) years from the date of issue provided there has not been additional formal discipline imposed during the two-year period.
- c. A letter of reprimand issued prior to October 27, 1990, may be pulled at the request of the employee provided there was no additional formal discipline imposed within five (5) years from the date of issue.
- d. Documented counselings will be withdrawn from an employee's department file eighteen (18) months from the date of issue provided there has not been formal discipline imposed during the eighteen (18) month period. Once removed, the documented counseling may not be used to enhance the subsequent discipline but may be used to demonstrate that the employee is aware of the issue and/or for impeachment purposes.

ARTICLE 14 – SAFETY SHOES AND SAFETY GLASSES

14.1 SAFETY SHOES

- a. Where the City requires that safety shoes be worn by employees as a condition of employment pursuant to required safety rules and regulations, the City shall reimburse said employees for the cost of an acceptable safety shoe and/or inserts up to a maximum of \$200.00 per pair, or up to a maximum of \$250.00 if special order of the safety shoes is required, but normally not more than two (2) pair per fiscal year. When needed, employees may purchase and request to be reimbursed for two (2) pair of safety shoes at the same time. With prior permission, employees may request and be reimbursed for repairs of current acceptable safety shoes in lieu of the purchase of a pair of safety shoes.
- b. All employees falling outside the coverage of subsection (a) above shall also be required to wear safety shoes as a condition of employment. The City will reimburse these employees for the cost of an acceptable safety shoe up to a maximum of \$200.00 per pair, or up to a maximum of \$250.00 per pair if special order is required, but normally not more than two (2) pair per fiscal year. When needed, employees may purchase and request to be reimbursed for two (2) pairs of safety shoes at the same time.
- c. To be eligible for the reimbursement as stated in subsections (a) and (b) above, the employee must obtain prior authorization from their supervisor before purchasing safety shoes, and must submit the receipt to the supervisor to verify the cost and substantiate the reimbursement.
- d. The City maintains the right to specify the type of required safety shoes.

14.2 SAFETY GLASSES

- a. It shall be mandatory for employees to wear safety glasses where such glasses are required to be worn by the City. Employees who wear prescription glasses shall wear protective eye wear provided by the City or prescription safety glasses. The City shall provide non-prescription safety glasses for employees.
- b. Employees are free to purchase prescription safety glasses from any source the employee chooses. The City will reimburse the employee for the purchase of prescription safety glasses up to a maximum of \$125.00 per pair of glasses.
- c. To be eligible for the above reimbursement, the employee must obtain prior authorization from their supervisor before purchasing the required safety glasses, and must submit the receipt to the supervisor to verify the cost and substantiate the reimbursement. The City maintains the right to specify the standards for non-prescription safety glasses. Further, prescription safety glasses shall conform in all respects to the U.S.A. Safety Standards for Head,

Eye and Respiratory Protection, and the prescription shall not be more than twenty-four (24) months old.

- d. The cost of any eye examination and special or cosmetic frames shall be paid by the employee.

14.3 DAMAGE TO PRESCRIPTION SAFETY GLASSES

- a. The City agrees to repair or replace prescription safety glasses damaged or destroyed while the employee is actively at work provided that the employee furnishes satisfactory proof to the City of such loss.
- b. The prescription shall not be more than twenty-four (24) months old to qualify for reimbursement under the Article. All costs to update the prescription shall be borne by the employee.

ARTICLE 15 – UNIFORMS

15.1 UNIFORMS

- a. The City agrees to provide uniforms for employees who are required to wear uniforms.
- b. All employees covered by this Agreement and occupying classifications in the Plant Operator Unit as otherwise defined herein and required by the City to wear a uniform shall have a clean uniform provided five days a week (5-5-1), at no cost to the employee.
- c. During the summer months of June, July and August, employees in the classifications of Junior Plant Operator, Plant Operator, and Senior Plant Operator, who are required to wear a uniform shall be provided with clean orange, blue, or tan T-shirts on a 5-5-1 basis. The T-shirts are in lieu of the currently provided shirts.
- d. The value of the uniforms provided by the City shall be reported as compensation at the rate of five dollars (\$5.00) biweekly to the Public Employees Retirement System (PERS).
- e. All employees who are provided with a uniform shall meet Department dress and grooming standards and adhere to the uniform policy of the division and/or Department.

15.2 FOUL WEATHER JACKET

- a. Employees whose duties and responsibilities include working outside during inclement weather shall be provided an inclement weather jacket.

- b. Employees shall be responsible for the laundry, maintenance, and repair of such jacket. Replacement of unserviceable jackets shall be the responsibility of the City. Stolen jackets shall be reported to the employee's supervisor and replaced by the City.

ARTICLE 16 – MISCELLANEOUS

16.1 SAFETY

Employees shall not perform work alone in any plant on swing or graveyard shift where another employee is not within easy access to assist or obtain assistance should such employees working alone sustain an injury or become seriously ill.

16.2 TRANSPORTATION

- a. Sacramento Regional Transit District (SRTD)

Full-time career employees who utilize the Sacramento Regional Transit District (SRTD) for home-to-work transportation are eligible for an eighty percent (80%) price discount on an SRTD monthly pass. Part-time career employees shall be eligible for a fifty percent (50%) price discount. The employee must notify the Department of Finance, Revenue Division on or before the fifth day of the month to obtain the monthly pass discount for that month.

- b. Other Bus Transportation

Eligible full-time career employees as described above, who regularly utilize other bus or mass transportation services regulated by the Public Utilities Commission (i.e. buses, vanpools, rail) for home-to-work commuting are eligible for up to eighty percent (80%) of the cost of the monthly pass. Eligible part-time employees, as described above, shall be eligible for a fifty percent (50%) monthly reimbursement. The employee must present the required proof of purchase to the Department of Finance, Revenue Division by the fifth day of the month to obtain reimbursement. The amount of monthly reimbursement shall not exceed one hundred twenty dollars (\$120).

- c. Downtown Parking Subsidy

The City shall provide a ninety dollar (\$90) per month parking subsidy to eligible career employees who are regularly assigned to work in the downtown area. The subsidy will be included in the employee's bi-weekly paycheck, subject to applicable state and federal taxes.

16.3 SELECTION OF VACANCIES

- a. When a permanent vacancy occurs in a particular job assignment, employees holding permanent status in the classification in which the vacancy arises may request to be reassigned to such vacancy. Such employees who possess those skills and abilities required for the position shall be given preference over those individuals appointed from an eligible list. If more than one qualified employee requests such vacancy, the assignment shall be based on (1) relative experience and capability in performing the required job functions; and (2) relative disruptive effect on the established work schedule. If both of these considerations are found to be equal by the appointing authority, classification seniority shall be the determining factor. For employees in the classifications of Senior Stationary Engineer and Stationary Engineer, vacancy selection preference pertains to permanent vacancies within an employee's own department. When a vacancy occurs in other departments, an employee may submit transfer requests as provided by the Civil Service Board Rules and Regulations.
- b. When a permanent vacancy occurs due to retirement, death, demotion, resignation, promotion, or termination, a notice of such vacancy shall be posted fourteen (14) calendar days prior to the regular filling of said vacancy. The notice shall include the shift and work location of the vacancy. The notice of vacancy for Plant Operators shall be posted at the Sacramento Water Treatment Plant, the Fairbairn Water Treatment Plant, Sump 2, at the Well Crew Dispersal Site, 35th Avenue, and the 24th Street Corporation Yard. The notice of vacancy for Stationary Engineers and Senior Stationary Engineers shall be posted in those departments where employees in the affected classification are employed.
- c. The City shall reassign or prevent the assignment of employees where there is or would be an immediate supervisory/subordinate relationship and the employees have a potential employment conflict of interest due to a parental, spousal or sibling relationship.
- d. This Section shall not apply to non-career employees.

16.4 STRIKES AND LOCKOUTS

For the duration of this Agreement the Union and its members agree that it shall not call, sanction or engage in any strike, slowdown, suspension or stoppage of work activity, and the City agrees that it shall not cause or engage in any lockout.

Further the City shall have the right to deny all usage of sick leave by an employee where the City Manager has reasonable cause to believe the sick leave usage is related to a sick-out or any other form of concerted activity.

16.5 SAVINGS CLAUSE

If any provision of this Agreement, or the application of such provision should be rendered or declared invalid by any decree of a court of competent jurisdiction or by the reason of any existing or subsequently enacted legislation, the remaining parts or portions of this Agreement shall remain in full force and effect.

16.6 EMPLOYEE PERFORMANCE APPRAISALS

- a. Each City department shall have the right to conduct employee performance appraisals on a department-wide basis for career and/or non-career employees at the discretion of the appointing authority.
- b. A career employee who disagrees with a performance evaluation may within ten (10) workdays from the date of the performance evaluation:
 - (1) Write a rebuttal statement for attachment to the performance evaluation form; and
 - (2) Informally appeal to the supervisor of the reviewer, but in no case higher than the department head.
- c. Appeals of employee performance evaluations are not subject to the grievance procedure.
- d. In accordance with the Sacramento Civil Service Board Rules, Rule 12 et seq., withholding an employee's salary step advancement is formal discipline. Salary step advancements shall not be delayed solely because the employee's performance appraisal is not completed on time. Step advancements delayed solely due to untimely performance evaluations shall be subject to the grievance procedures.

16.7 TRIAL PERIOD

- a. An employee or a former employee appointed to a career classification as a non-career employee on and after November 22, 1986, shall serve a trial period. A former employee is a person who was previously employed with the City but terminated such employment for any reason including the expiration of a limited-term appointment.
- b. The trial period for Stationary Engineer and Senior Stationary Engineer shall be one thousand forty (1,040) hours worked. The trial period for Junior Plant Operator, Plant Operator, and Senior Plant Operator shall be a three hundred sixty-five (365) calendar day period beginning with the first day the employee reports to work or until the employee has worked two thousand eighty (2,080) straight-time hours, whichever occurs last.

- c. A non-career employee may be released from his or her position at the discretion of the appointing authority at any time prior to working the trial period without right of appeal to the Civil Service Board. Such release shall be confirmed in writing.
- d. This provision shall not be used to circumvent the civil service system in respect to the City's testing practices.

16.8 PAYROLL ERRORS

- a. In the event an error has been made in the payment of an employee's compensation, including, but not limited to, wages, overtime payment, healthcare contributions, incentives, or leave accruals, balances and/or usages, the City shall, for purposes of future compensation, adjust such compensation to the correct amount, giving written notice to the employee.
- b. In the event an employee received an overpayment in compensation, reimbursement to the City shall be accomplished by:
 - (1) Lump sum payment by the employee;
 - (2) A one-time deduction from all available paid leave balances, except sick leave, equivalent to the overpayment at the employee's current hourly rate;
 - (3) A repayment schedule through payroll deduction; and/or
 - (4) Other means, as may be mutually agreed between the parties.

No repayment schedule shall exceed fifty-two (52) pay periods in duration, except that if the employee does not agree to a voluntary repayment schedule, the overpayment collection shall not exceed twenty-six (26) pay periods. The time period may be extended by a signed agreement between the City and the employee.

- c. No action shall be taken to enforce repayment of an overpayment, or to correct an underpayment, unless action is taken within two (2) years from the ending date of the pay period in which the error is discovered. "Action is taken" as used in this Section shall mean written notice to the employee in the case of an overpayment, or written or oral notice to the City in the case of an underpayment error.
- d. The City shall make a reasonable effort to verify employee underpayments within ten (10) calendar days of written notice by the employee or the employee's representative. Once verified, repayment shall be made within thirty (30) calendar days.

16.9 COMMERCIAL DRIVER LICENSE

Each employee whose job assignment requires them to operate, drive, or maintain a commercial motor vehicle shall possess a valid commercial California driver license and endorsements as follows:

<u>Classification</u>	<u>Required License</u>	<u>Endorsements</u>
Junior Plant Operator	A; or B (1) and (2)	Tank Vehicle & Hazardous Materials
Plant Operator	A; or B (1) and (2)	Tank Vehicle & Hazardous Materials
Senior Plant Operator	A; or B (1) and (2)	Tank Vehicle & Hazardous Materials

(1) License must not have an air brake restriction

(2) Management will determine on a case-by-case basis if the license must have a manual transmission endorsement.

If there are insufficient numbers of employees who possess the required commercial license and/or endorsements when the commercial license and/or endorsements is mandatory for some assignments only, then the commercial license and/or endorsements shall be mandated as necessary for the designated assignments. Such mandated assignments shall be by inverse order of classification seniority beginning with the employee with the least amount of classification seniority.

16.10 PERS RETIREMENT PLAN AND CONTRIBUTION

a. Miscellaneous employees are covered by the following Public Employees Retirement System, (PERS) plan – Classic Members:

- Modified 2% at age 55
- One-year highest compensation
- 2% COLA
- 25% survivor continuation
- 50% industrial disability
- Military service credit
- Sick leave conversion credit

b. Effective June 30, 2012, “classic members” as defined by PERS, shall pay the seven percent (7%) member contribution to the PERS retirement plan. Classic members shall qualify for the 2% at 55 benefit formula and retirement shall be based upon the highest twelve (12) months of compensation.

- c. Effective November 15, 2014, “classic members” shall pay eight percent (8%) of salary to the PERS retirement plan. The parties will seek to amend the PERS contract to reflect a new cost-share agreement in which miscellaneous classic members shall, from the date of amendment, pay a seven percent (7%) employee contribution and one percent (1%) of the employer contribution through PERS cost-share. If this PERS cost-share is not approved by a vote of the bargaining unit employees, the one percent (1%) cost-share will remain in the City’s account.
- d. Member Contribution to PERS Retirement Plan – New Members

“New members” as defined by Public Employees’ Pension Reform Act (PEPRA) shall be members in the PERS on terms consistent with the PEPRA. New members shall qualify for the 2% at 62 benefit formula, shall contribute fifty percent (50%) of the total normal cost as required by PEPRA, and retirement shall be based upon the highest thirty-six (36) consecutive months of compensation.

16.11 VOLUNTARY WORK FURLOUGH PROGRAM

Pursuant to the Furlough/Reduced Work Week Policy, the City may establish for full-time career employees a voluntary work furlough/reduced work week consisting of a full day of unpaid leave on a variable schedule or a work schedule which is modified on a regular fixed basis to less than forty (40) hours per week. Employees shall apply for participation in the program pursuant to the conditions set forth in the rules and procedures governing this citywide Program.

16.12 PROBATIONARY PERIOD

Probation is an extension of the hiring process and the employee may be released from probation at any time during the probationary period with no appeal rights.

- a. The probationary period for career employees hired or promoted into or within this unit on or after June 19, 2020, who are employed in classification covered under this Agreement, whose probationary period was six (6) months shall be twelve (12) months (2,080 regular hours). All relevant job specifications shall be deemed modified to reflect this provision.
- b. An employee serving a probationary period shall receive a minimum of three (3) written performance appraisals, based on evaluations conducted at four (4), eight (8), and twelve (12) months of service. Evaluation shall be completed using a standardized evaluation form prescribed by the appointing authority.
- c. The necessity for a written performance appraisal shall be eliminated if, at any point during the one (1) year probationary period, the appointing authority releases the employee during probation.

- d. A probationary employee may be released from their position at the discretion of the appointing authority at any time during the probationary period without right of appeal. Such release shall be confirmed in writing.

16.13 ZONAR OR OTHER GLOBAL POSITIONING SYSTEMS (GPS) AND VEHICLE STICKERS

Zonar and other GPS devices will be used for purposes of improving departmental efficiencies to include, but not limited to, preserving City resources and preventing idle time. Zonar or GPS data shall not be used by the City as the only factor in gathering data for purposes of discipline. However, the data may be used to substantiate public complaints, support findings or confirm work performance issues for purposes of discipline. A list of vehicles which contain Zonar or other GPS devices will be maintained in the department and provided to employees. The City may place one (1) "safety sticker" on City vehicles which reads "How's My Driving? Dial 311." Safety stickers shall not exceed 200 square inches and will not be placed in an area which obscures the driver's safe operation of the vehicle.

16.14 DEFERRED COMPENSATION PLAN

Career employees may participate in the City's Deferred Compensation 457 Plan, to the extent provided by law.

Each participant in the plan shall contribute an administrative fee of one dollar and fifty cents (\$1.50) per month from their plan balance to the plan's administrative allowance account. Funds accumulated by the administrative fee will be utilized as prescribed in the Defined Contribution Plans Committee's Fee and Expense Policy.

16.15 REOPENERS

After April 1, 2022, Local 39 may request to meet and confer regarding Rain Patrol, and if they do so the City will meet with Local 39 within thirty (30) calendar days of that request.

The City may request to meet and confer regarding minimum rest periods between work days, and if they do so Local 39 will meet with the City within thirty (30) calendar days of that request.

16.16 WATER TREATMENT PLANT SCHEDULING – WORK GROUP

The City and the Union shall meet to discuss alternatives to the Plant Operator 5-4 work schedule.

Implementation of any change shall only be upon mutual agreement. Absent mutual agreement, the status quo shall continue.

16.17 TERM

- a. This Agreement shall remain in full force and effect from December 27, 2025, to and including December 22, 2028.
- b. The provisions of this Agreement shall be effective on the effective date stated above except as otherwise specifically provided.
- c. The Letters of Understanding at Exhibit A are hereby incorporated and shall remain in effect during the term of this Agreement.

DATED: March 24, 2026

INTERNATIONAL UNION OF OPERATING
ENGINEERS, STATIONARY ENGINEERS
LOCAL 39, AFL-CIO

CITY OF SACRAMENTO

Tim Eggen
Business Manager

Leyne Milstein
Assistant City Manager

Jeff Gladiux
President

Aaron Donato
Labor Relations Manager

Brandy Johnson
Director Of Public Employees

Chee Khang
Negotiating Team Member

Laura LeSieur
District Representative

Oscar Murillo
Negotiating Team Member

Payden Martin
Business Representative

Joshua Cooper
Business Representative

Steven Craig
Negotiating Team Member

Approved as to form:

Jose Bustamante
Negotiating Team Member

Brett Witter
Assistant City Attorney

Ada Kanai
Negotiating Team Member

Michael Abshire
Negotiating Team Member

EXHIBIT A – CONTINUING LETTERS OF UNDERSTANDING (LOUs)

City of
SACRAMENTO
Department of Human Resources

January 19, 2018

Scherita V. Adams
Stationary Engineers, Local 39
1620 North Market Boulevard
Sacramento, California 95834

Re: Letter of Understanding – Alternative Shifts at Fairbairn and Sacramento River Plants

Dear Ms. Adams:

This letter confirms the agreement reached between the City of Sacramento (City) and Stationary Engineers, Local 39 (Local 39), regarding the above referenced matter.

Specifically, the agreement is as follows:

1. The City and Local 39 shall meet to discuss the possibility of establishing alternative work shifts at the Fairbairn and Sacramento River plants;
2. Implementation of any alternative shifts will only be upon mutual agreement;
3. Should the City and Local 39 not come to agreement, then the status quo remains; and
4. These meetings will conclude by January 23, 2019. However, the meetings may be extended beyond January 23, 2019, only by written mutual agreement of the parties.

If this is your understanding of the agreement reached, please sign as indicated below and return one original to Labor Relations. I have enclosed an additional original for your files.

Sincerely,

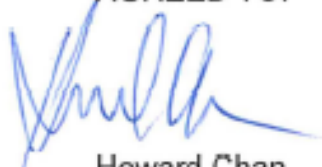


Aaron Donato
Labor Relations Officer

Labor Relations Division
Main: (916) 808-5424; Fax: (916) 808-8110
915 I Street, 4th Floor
Sacramento, CA 95814-2604

Letter of Understanding – Alternative Shifts at Fairbairn and Sacramento River Plants
Page 2 of 2

AGREED TO:




Howard Chan
City Manager

AGREED TO:



Shelley Banks-Robinson
Interim Human Resources
Director

AGREED TO:



Steve Crouch
Director of Public Employees, Local 39

AGREED TO:



Scherita V. Adams
Business Representative, Local 39

APPROVED AS TO FORM:



Brett M. Witter
Supervising Deputy City
Attorney

January 25, 2018

Scherita V. Adams
Stationary Engineers, Local 39
1620 North Market Boulevard
Sacramento, California 95834

Re: Letter of Understanding – Plant Operator Work Schedule

Dear Ms. Adams:

This letter confirms the agreement reached between the City of Sacramento (City) and Stationary Engineers, Local 39 (Local 39), regarding the above referenced matter.

Specifically, the agreement is as follows:

1. The City and Local 39 shall meet to discuss the Plant Operator 5-4 work schedule.
2. Implementation of any change shall only be upon mutual agreement. Absent mutual agreement, the status quo shall continue; and
3. These meeting will conclude by January 23, 2019. These meetings may be extended beyond January 23, 2019 only by written mutual agreement of the parties

If this is your understanding of the agreement reached, please sign as indicated below and return one original to Labor Relations. I have enclosed an additional original for your files.

Sincerely,



Aaron Donato
Labor Relations Officer

Letter of Understanding – Plant Operator Work Schedule

Page 2 of 2

AGREED TO:



Howard Chan
City Manager

AGREED TO:



Shelley Banks-Robinson
Interim Human Resources
Director

AGREED TO:



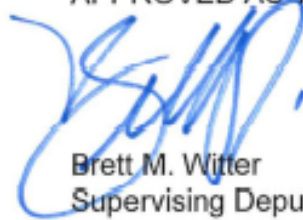
Steve Crouch
Director of Public Employees, Local 39

AGREED TO:



Scherita V. Adams
Business Representative, Local 39

APPROVED AS TO FORM:



Brett M. Witter
Supervising Deputy City
Attorney