



# City of San Leandro

Meeting Date: September 16, 2013

## Staff Report

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**File Number:** 13-443 **Agenda Section:** CONSENT CALENDAR

**Agenda Number:** 8.G.

**TO:** City Council

**FROM:** Chris Zapata  
City Manager

**BY:** LaTanya Bellow  
Human Resources Manager

**FINANCE REVIEW:** David Baum  
Finance Director

**TITLE:** Staff Report for a Resolution Approving the San Leandro Management Organization (SLMO) Memorandum of Understanding and a Resolution Approving the Conditions of Employer Paid Member Contributions for the San Leandro Management Organization (SLMO)

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### SUMMARY AND RECOMMENDATIONS

The City Manager recommends that the City Council approve a resolution ratifying the Memorandum of Understanding (MOU) between the City of San Leandro and the San Leandro Management Organization (SLMO) covering the period of January 1, 2013 through June 30, 2015.

In addition, the City Manager recommends that the City Council approve a separate resolution specifying the conditions of Employer Paid Member Contributions (EPMC) for the San Leandro Management Organization (SLMO). This resolution is required by the California Public Employees' Retirement System (CalPERS) in order to implement the EPMC.

### BACKGROUND

The SLMO represents approximately 31 full-time management employees. The City's and SLMO's negotiators reached a tentative agreement that was ratified by the employees on July 29, 2013 and is presented to the City Council for its approval.

### Analysis

The major elements of the tentative agreement include the following:

**Duration:** Two and one-half years, starting January 1, 2013 and ending June 30, 2015.

**Wages:** A two and one-half (2.5%) percent across the salary schedule adjustment effective October 1, 2013.  
A three and one-half (3.5%) percent across the salary schedule adjustment effective July 1, 2014.  
A four (4%) percent across the salary schedule adjustment effective June 1,

2015.

**PERS:**

For employees in Tier One:

- Effective October 1, 2013, employees shall commence paying 2% of the employee contribution and the City shall contribute 6%. Effective July 1, 2014, employees shall commence paying 5% of the employee contribution and the City shall contribute 3%. Effective June 1, 2015, employees shall commence paying 8% of the employee contribution and the City shall contribute 0%.

For employees in Tier Two:

- Effective October 1, 2013, employees shall commence paying 2% of the employee contribution and the City shall contribute 5%. Effective July 1, 2014, employees shall commence paying 5% of the employee contribution and the City shall contribute 2%. Effective June 1, 2015, employees shall commence paying 7% of the employee contribution and the City shall contribute 0%.

For employees in Tier Three:

- Pursuant to the Public Employees' Pension Reform Act of 2013, employees hired after January 1, 2013 depending on previous California public agency employment are subject to specific pension formulas and employee contributions.

**Benefits:**

The City's contributions to the medical plans in 2013, based on the 2012 Kaiser medical insurance premium, are as follows:

<u>Level</u>	<u>City Cost</u>
Employee	\$ 610.44
2-party	\$1,220.88
Family	\$1,587.14

Employees will pay 50% of premium increases in 2014 and 2015. For the term of this agreement Opt-out premiums remain unchanged from previous MOU.

**Previous Action**

On December 20, 2010, by Resolution No. 2010-157, the City Council approved the latest MOU, for the period January 1, 2011 through December 31, 2012.

**Fiscal Impacts**

The agreement is effective January 1, 2013 and will cost the City of San Leandro approximately \$25,725 in the first year (2013-14) with a 2.5% wage increase and 2% employee contribution towards PERS. It will cost approximately \$58,668 in the second year (2014-15) with a 3.5% wage increase and 3% employee contribution towards PERS. Although the agreement expires on June 30, 2015, the projected cost in year 2015-16 is approximately \$88,443 with a 4% wage increase and 3% employee contribution towards PERS. The total cost over three fiscal years is projected to be approximately \$172,836.

**ATTACHMENTS**

- Memorandum of Understanding

**PREPARED BY:** LaTanya Bellow, Human Resources Manager, City Manager's Office

MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE CITY OF SAN LEANDRO  
AND  
SAN LEANDRO MANAGEMENT ORGANIZATION

**Section 1.0 Preamble**

The understandings reached by this Memorandum are a result of meeting and conferring in good faith between the Municipal Employee Relations Officer of the City of San Leandro (City Manager) and the officers of the San Leandro Management Organization.

This Memorandum of Understanding shall be presented to the San Leandro City Council as the joint recommendation of the undersigned parties for salary and employee benefit adjustments for the period commencing January 1, 2013 through June 30, 2015.

**Section 1.5 General**

Terms of employment shall be as specified in the City of San Leandro Personnel Rules revised July 21, 2011 as modified by this document.

**Section 2.0 Health Benefits**

2.1 Pre-Tax Flexible Spending Account

The City shall offer an IRS 125 plan to all full-time employees, as defined by and measured in accordance with the Patient Protection and Affordable Care Act of 2010 (PPACA). The plan shall provide the following:

- a. Pretax conversion of employee contribution toward medical and dental premiums.
- b. Medical Flexible Spending Account with a maximum employee pretax contribution of two thousand five hundred dollars (\$2,500.00) per benefit plan year.
- c. Dependent Care Flexible Spending Account with a maximum employee pretax contribution of five thousand dollars (\$5,000.00) per benefit plan year.

2.2 Medical and Dental (Active)

The City will maintain a “core” benefit plan for all full-time employees. The core shall consist of the PERS Medical Plan and the existing dental plan.

Under CalPERS rules, the City will contribute the following amounts as the “employer minimum share” per employee per month towards the benefit plan:

2013	\$115.00
2014	\$119.00
2015	To be determined by CalPERS

Effective October 1, 2013, the City will contribute the monthly amounts including the CalPERS Medical Plan “employer minimum share” contribution, towards the election of medical and dental benefits in the plan, or the actual premiums, whichever is less:

Medical Plan	Coverage Level	Monthly Premium	City Pays	Employee Pays
<b>Blue Shield Access + HMO</b>	Employee only	\$784.63	\$610.44	\$174.19
	Employee + 1	\$1,569.26	\$1,220.88	\$348.38
	Employee + 2 or more	\$2,040.04	\$1,587.14	\$452.90
<b>Blue Shield NetValue* HMO</b>	Employee only	\$670.21	\$610.44	\$59.77
	Employee + 1	\$1,340.42	\$1,220.88	\$119.54
	Employee + 2 or more	\$1,742.55	\$1,587.14	\$155.41
<b>Kaiser (CA) HMO</b>	Employee only	\$668.63	\$610.44	\$58.19
	Employee + 1	\$1,337.26	\$1,220.88	\$116.38
	Employee + 2 or more	\$1,738.44	\$1,587.14	\$151.30
<b>PERS Choice - PPO</b>	Employee only	\$667.03	\$610.44	\$56.59
	Employee + 1	\$1,334.06	\$1,220.88	\$113.18
	Employee + 2 or more	\$1,734.28	\$1,587.14	\$147.14
<b>PERSCare - PPO</b>	Employee only	\$1,083.11	\$610.44	\$472.67
	Employee + 1	\$2,166.22	\$1,220.88	\$945.34
	Employee + 2 or more	\$2,816.09	\$1,587.14	\$1,228.95
<b>PERS Select – PPO**</b>	Employee only	\$487.20	\$487.20	\$0.00
	Employee + 1	\$974.40	\$974.40	\$0.00
	Employee + 2 or more	\$1,266.72	\$1,266.72	\$0.00
<b>PORAC - PPO</b> For members of the Police Officers’ Research Association	Employee only	\$581.00	\$581.00	\$0.00
	Employee + 1	\$1,088.00	\$1,088.00	\$0.00
	Employee + 2 or more	\$1,382.00	\$1,382.00	\$0.00

MetLife Dental	Coverage Level	Monthly Premium	City Pays	Employee Pays
<b>Basic Plan</b>	Employee only	\$52.96	\$52.96	\$0
	Employee + 1	\$102.14	\$102.14	\$0
	Employee + 2 or more	\$160.61	\$160.61	\$0
<b>Buy-up Plan (Option 1)</b>	Employee only	\$27.38	\$0.00	\$27.38
	Employee + 1	\$55.23	\$0.00	\$55.23
	Employee + 2 or more	\$101.63	\$0.00	\$101.63
<b>Buy-up Plan (Option 2)</b>	Employee only	\$23.61	\$0.00	\$23.61
	Employee + 1	\$48.55	\$0.00	\$48.55
	Employee + 2 or more	\$90.50	\$0.00	\$90.50

Sutter and Yuba counties

\*\* Not available in Marin county

In January 2014 and 2015, employees and City will each pay 50% of the increase or decrease in medical and dental premiums based upon Kaiser medical and the Basic dental plan (i.e., 2014 premiums minus 2013 premiums, divided by 2 etc.).

Employees who wish to waive enrollment in the medical and dental plans and who demonstrate to the satisfaction of the City their enrollment in another medical and dental plan will receive opt-out payments as follows:

Employee rate:	Medical \$200 +/-or dental \$50 = \$250/month maximum
Two-party rate:	Medical \$350 +/-or dental \$50 = \$400/month maximum
Family rate:	Medical \$500 +/-or dental \$50 = \$550/month maximum

In the event both spouses are employed by the City and eligible to enroll in the City's benefits plan, one employee may elect not to enroll in the medical and dental plans and will receive the single employee opt-out rate of up to two-hundred fifty dollars (\$250.00) per month payment, if enrolled under spouse's medical and dental coverage.

An employee may elect to waive the dental plan only and enroll only in the medical plan and receive fifty dollars (\$50.00) per month for their non-election.

Re-enrollment in the medical and/or dental plan shall be allowed only based upon a qualifying event as defined by the IRS codes or during an open enrollment period.

No change in dental plan carrier, or level of benefits, shall be made unless agreed to by the Management Organization.

### 2.3 Medical and Dental (Retiree)

**Five Year Health & Welfare Vesting Requirement:** Unless otherwise determined by the City Manager as part of the initial hiring agreement, full-time employees hired on or after January 1, 2005 must render five (5) years of continuous service with the City of San Leandro in order to receive retiree medical and/or dental benefits under this section.

**Medical:** Under CalPERS rules, the City will directly contribute "the employer minimum share" towards retiree medical coverage. Additional retiree health contributions will be made on a reimbursement basis as set forth below. The amounts listed below are inclusive of the CalPERS Medical Plan "employer minimum share."

The City shall pay the contributions required by the health plan two-party rate for retired full-time City employees who were assigned to classifications represented by the San Leandro Management Organization and who are currently members of one of the City's health plans. The City shall contribute to the health plan two-party rate costs until the employee is eligible for Medicare coverage. The maximum amount to be contributed by the City shall not exceed three hundred and sixty dollars (\$360.00) per month. In the event the amounts required by the health plans exceed the maximum City contribution, such excess amounts shall be paid by the retiree, except as provided herein. Coverage under this section shall continue until the employee's 65th birthday; except for the PERS Medical Plan "employer minimum share," which shall continue for life.

Retired employee dependent eligibility for City health plan contribution is conditional upon the active enrollment of the retired employee. If a retired employee moves outside the service area of their medical plan the retiree will be allowed an opportunity within thirty (30) days of such move to change medical insurance coverage to another CalPERS option. If a retired employee remarries, the retiree may add the retiree's spouse to the medical insurance coverage. The City shall have no obligation to obtain medical insurance for a retiree living outside the service area of its medical insurance plans. The "employer minimum share" contribution toward CalPERS retiree insurance will continue.

**Dental:** The City shall contribute a maximum of seventy dollars and eighty-seven cents (\$70.87) towards monthly dental plan costs for each retired full-time City employee who is currently a member of the City's dental plan, or who was a member of the City's dental plan and retired on or after July 1, 1983. Any increases in dental plan costs during the term of this Agreement shall be split equally between the City and the retired employee. Coverage shall continue until age 65.

No change in dental plan carrier, or level of benefits, shall be made unless agreed to by the Management Organization.

#### 2.4 Life Insurance (Active)

The City shall maintain in effect employer provided Term Life Insurance with AD&D in the amount of fifty thousand dollars (\$50,000.00) for active full-time employees. The insurance provider shall be "A-rated", unless the parties specify otherwise. The City shall make available for employees, the ability to purchase additional life insurance, at no cost to the City, subject to the requirements and rules of the insurance carrier. Such premium payments made by the employee purchasing any voluntary life insurance shall be made on an after tax basis.

#### 2.5 Long Term Disability Insurance (Active)

The City shall maintain in effect an employer paid long-term disability insurance program with a benefit percentage of forty percent (40%) of base monthly earnings with a maximum gross monthly benefit of six thousand dollars (\$6,000.00) for all full-time employees. The plan shall provide a six month elimination period, benefits payable to age 65 with two years "own" occupation and partial disability benefits. The City shall make available for employees, the ability to purchase additional long term disability insurance, at no cost to the City, subject to the rules, regulations, enrollment requirements and exclusions set forth by the insurance carrier.

#### 2.6 Short Term Disability Insurance (Active)

The City shall make available for employees, the ability to purchase voluntary short-term disability insurance, at no cost to the City, subject to the rules, regulations, enrollment requirements and exclusions set forth by the insurance carrier. Such premium payments made by the employee purchasing any voluntary short-term disability insurance shall be made on an after-tax basis.

### **Section 3.0 Uniform Allowance**

For the term of this Agreement, the uniform allowance for Police Support Services Manager will be \$750 per year. All uniform allowances will be paid by separate check.

### **Section 4.0 Leaves**

**4.1 Vacation Leave:** Vacation leave for each full-time employee shall be accrued and credited for the pay period in which it was earned. An employee holding a full-time position shall be entitled to a vacation leave which shall accrue at the rate of twelve (12) days for each calendar year of service performed. If a newly hired employee possesses five (5) years of experience in the field in which he/she is hired, he/she shall accrue vacation leave at the rate of fifteen (15) days for each calendar year of service performed.

The City evaluated employees hired before February 1, 2002 who had not yet performed five (5) full years of City service, to determine if they possessed the required experience when they were hired. If so, their accrual rate was changed to fifteen (15) days. If not, their accrual rate was changed from ten (10) days to twelve (12) days effective January 1, 2002.

In the calendar year in which an employee holding a full-time position completes five (5) full years of City service, such employee shall be entitled to fifteen and three-quarters (15  $\frac{3}{4}$ ) work days of vacation. For each full year of full-time City service completed thereafter, three-quarters ( $\frac{3}{4}$ ) of a work day of vacation shall be added up to a maximum of twenty-five (25) work days of vacation.

An employee who is in unpaid status for 44 or more hours in a pay period shall not accrue vacation leave for that pay period.

In the event one or more municipal holidays falls within a vacation leave, such days shall not be charged as vacation leave and the vacation leave shall be extended accordingly for those employees eligible for such holidays.

Management employees may accumulate vacation leave up to a maximum of three (3) years vacation accrual. An additional year may be accumulated with Department Head approval.

Employees shall be allowed to sell up to 100 hours of vacation per year. Time may be sold twice annually in June and December.

**4.2 Sick Leave:** Sick leave is a paid leave. Sick leave is to be used in cases of actual sickness or injury of the employee or of a member of his/her immediate family which compels an employee to be absent from work. Sick leave may also be used for routine dentist and doctor visits as these visits maintain the health and productivity of the employee.

The immediate family of an employee includes the employee's spouse, registered domestic partner, children, stepchildren, parents, grandparents and step parents, where there was a child-rearing relationship, who are permanent household members and whose well-being is dependent on the employee's care as defined in the Personnel Rule X, Section 2, Sick Leave.



A full-time employee will accumulate sick leave at a rate of eight (8) hours for each full calendar month of service. An employee who is in unpaid status for 44 or more hours in a pay period shall not accrue sick leave for that pay period.

As part of the initial hiring agreement, the City Manager may grant to a new management employee up to one-half of that employee's sick leave accumulated from the most recent employer, to a maximum of 160 hours.

The maximum sick leave accrual shall be 2,400 hours (300 days)

Payment for unused sick leave will be granted to full-time regular employees with at least fifteen (15) years continuous City service at death, retirement or resignation in good standing based on salary at termination, pursuant to the following schedule. Number of sick leave days accumulated, multiplied by seven and one-half percent (7½%), multiplied by the number of whole years of service, multiplied by the hourly rate at termination.

The above formula figure of seven and one-half percent (7½%) will be adjusted to ten percent (10%) for an employee who terminates City service after completing twenty-five (25) years of uninterrupted City service by way of termination, service retirement or resignation in good standing with the City.

An employee whose death or permanent disability is a result of an accident which is held to be compensable by the Workers' Compensation Appeals Board will receive payment for unused sick leave without regard to continuous City service according to the seven and one-half percent (7½%) formula. An employee who completed twenty-five (25) or more years of uninterrupted service shall receive payment for unused sick leave in accordance with the ten percent (10%) formula as described in the above paragraph.

Payouts upon termination are deducted from sick leave service time credit under CalPERS.

**4.3 Funeral Leave:** In the event of death in the immediate family of a full-time management employee, the employee shall, upon request to the supervisor, be granted such time off with pay as is necessary to make arrangements for the funeral and attend same, not to exceed a total of five (5) working days. This provision does not apply if the death and/or funeral occurs during the employee's paid vacation, or while the employee is on leave of absence, layoff, sick leave, or any other leave status.

The immediate family of an employee includes wife, husband, child, father, mother, sister, brother, grandchildren, grandparents, mother-in-law, father-in-law, or step-parent where there is a child-rearing relationship.

Funeral leave applies only in instances in which the employee attends the funeral or is required to make funeral arrangements, but is not applicable for other purposes such as settling the estate of the deceased. It is understood, however, that leave as provided in the preceding paragraph may be granted to commence prior to the death of a member of the employee's immediate family or where death appears imminent.

**4.4 Family Medical Leave Act/California Family Rights Act (FMLA/CFRA).** Employees may be eligible for leave under the Family Medical Leave Act (FMLA) and/or the

California Family Rights Act (CFRA). The administration of any FMLA or CFRA leave provided for under this provision shall be in accordance with the provisions of the FMLA and the CFRA. Leave provided under this provision may run concurrently with other leaves provided under this agreement, as designated by the Human Resources Department. Additional information regarding available leave benefits is set forth in City Administrative Procedure 1600, Family and Medical Leave Request Process and applicable State and/or Federal law.

- 4.5 Pregnancy Disability.** Employees may be eligible for leave under the California Pregnancy Disability Leave Law (PDLL). The administration of any leave given under the PDLL shall be in accordance with the provisions of the PDLL. Leave provided under this provision may run concurrently with other leaves provided under this agreement. Additional information regarding available leave benefits is set forth in City Administrative Procedure 1630.

### **Section 5.0 Management Incentive Pay**

Full-time management employees shall receive management incentive pay at the rate of 80 hours per calendar year; such amount shall be paid equally at each pay period. Such pay is given in recognition of the unique nature of their position (e.g. projects, resolution of difficult issues).

Department Heads shall receive management incentive pay at the rate of 120 hours per calendar year; such amount shall be paid equally at each pay period. Such pay is given in recognition of the unique nature of their position (e.g. program direction, policy determination).

Department Heads shall be subject to an annual performance review by the City Manager. The City Manager, in his sole discretion, may award additional pay based on performance, pursuant to the provisions of the Personnel Rules or other granted authority.

### **Section 6.0 Deferred Compensation**

The City shall maintain in effect the deferred compensation program as described in the San Leandro Administrative Code for the term of this Agreement.

### **Section 7.0 Employee Wellness**

For the period of this Memorandum of Understanding, the concept of employee wellness will continue to be addressed by the City through, but not limited to, executive medical examinations, workshops around health and wellness. The City agrees to continue to provide to employees an Employee Assistance Program as described in the City of San Leandro Personnel Manual, Administrative Procedure 1570. It is agreed that such program shall not be an automatic substitution for appropriate disciplinary action when such action is appropriate.

### **Section 8.0 Retirement– Three-tier System**

The City shall, for full-time and qualifying part-time management staff, contribute to the California Public Employees' Retirement System (CalPERS) each pay period a portion of the employees' contribution rate as established by law, equal to that percentage of the employees' "compensation" as that term is administered by the Board of Administration of CalPERS, for the purpose of computing final compensation. Such contributions shall be reported to CalPERS as follows:

**8.1 Tier One:** For miscellaneous management employees hired prior to May 6, 2010, the City shall maintain a contract with CalPERS for the provision of a 2.5% @ 55 (highest 12 months) retirement benefit formula. The City shall contribute eight percent (8%) of the employees' compensation to CalPERS on behalf of these employees.

These plans shall contain the following options:

- Remarriage post-survivor allowance continuance
- Credit for unused sick leave option
- Military service credit option

Effective October 1, 2013, tier one employees shall commence paying 2% of the employee contribution and the City shall contribute 6%. Effective July 1, 2014, employees shall commence paying 5% of the employee contribution and the City shall contribute 3%. Effective June 1, 2015, employees shall commence paying 8% of the employee contribution and the City shall contribute 0%. Pursuant to IRS Code Section 414 (h) (2), these payments shall be made on a pre-tax basis.

**8.2 Tier Two:** For "classic" CalPERS members hired on or after May 6, 2010, the City shall maintain a contract with CalPERS for the provision of a 2% @ 55 (highest 36 months) retirement benefit formula pursuant to CalPERS requirements. The City shall contribute seven percent (7%) of the employees' compensation to CalPERS on behalf of these employees. Such plan will also contain the three optional benefits listed above.

8.2.1 Tier two employees shall contribute towards the employee's retirement contribution rate based on the greater of the amounts set forth below:

8.2.2 The City shall contribute to the Public Employees' Retirement System (CalPERS) each pay period a portion of a new employee's contribution rate as established by law according to the following schedule: year 1 – 2%; year 2 – 4%; year 3 – 6%. Thereafter, the Employer-Paid Member Contribution (EPMC) shall be equal to the respective formula (either seven (7) or eight (8) percent of the employee's "compensation") for miscellaneous employees as that term is administered by the Board of Administration of CalPERS. Prior CalPERS service time will be credited to new employees to reduce the contribution rates specified above. Pursuant to IRS Code Section 414 (h) (2), these payments shall be made on a pre-tax basis.

8.2.3 Effective October 1, 2013, employees shall commence paying 2% of the employee contribution and the City shall contribute 5%. Effective July 1, 2014, employees shall commence paying 5% of the employee contribution and the City shall contribute 2%. Effective June 1, 2015, employees shall commence paying 7% of the employee contribution and the City shall contribute 0%. Pursuant to IRS Code Section 414 (h) (2), these payments shall be made on a pre-tax basis.

**8.3 Tier Three:** For employees hired on or after January 1, 2013 and classified as "new" members of CalPERS as defined by Public Employees Pension Reform Act (PEPRA), the City shall maintain a contract with CalPERS for the provision of a 2% @ 62 (highest 36 months) retirement benefit formula. Also pursuant to PEPRA, these employees are responsible for paying one-half of the normal cost of this retirement plan.

## **Section 9.0 Compensation**

Salary for each classification varies from step 1 to step 5 as shown in Appendix A of this agreement. New hires and promotions may be placed at the step closest to a minimum five percent (5%) base salary increase, or any step, subject to the City Manager's final approval. Employees may be advanced from their current step to the next higher step after each year of satisfactory performance.

The appendix reflects wage adjustments as follows:

A two and one-half (2.5%) percent across the salary schedule adjustment effective October 1, 2013.

A three and one-half (3.5%) percent across the salary schedule adjustment effective July 1, 2014.

A four (4%) percent across the salary schedule adjustment effective June 1, 2015.

## **Section 10.0 Employee Defense and Indemnity**

In the event that all or part of a claim or judgment is for punitive or exemplary damages in any action otherwise governed by Section 825 of the Government Code and upon request of the employee against whom such claim or judgment is rendered, the City agrees to consider whether the findings set forth in Section 825(b) (1) through (3) may be made. This provision in no way obligates the City to pay punitive or exemplary damages unless it in fact makes those findings.

## **Section 11.0 Layoff**

The appointing authority may lay off an employee in the competitive service because of material change in duties or organization or shortage of work or funds. If, by reason of expiration of a leave of absence, reduction in personnel, demotion to the class, or other cause, there are more employees in any class in the full-time competitive service than there are available positions in that class, the employee last employed in the class shall be laid off; if such employee obtained such position by promotion, he/she shall be demoted to the lower class from which he/she was promoted rather than be laid off. Layoff or demotion shall be based upon the amount of seniority an employee has in the classification he/she is occupying (i.e., the employee with the least amount of seniority in the class shall be the first to be laid off or demoted, if job was obtained by promotion).

Forty (40) days before the effective date of a layoff, the appointing authority and/or designee shall notify Human Resources of the intended action with reasons therefore, and a statement certifying whether or not the services of the employee have been satisfactory. A copy of such notice shall be given to the employee affected at that time. If certified as having given satisfactory service, the name of the employee laid off shall be placed on the appropriate re-employment list.

Employees shall be given thirty (30) days written notice before the effective date of layoff.

All laid-off employees shall be placed on a re-employment list for the class from which they were laid off or demoted (i.e., the last person in the affected class to be laid off shall be the first re-hired when openings occur in that class or any other of the same pay for which the employee is qualified). If the employee on the re-employment list refuses the initial offer of re-employment, the employee's name shall be placed at the end of the re-employment list. If the same employee refuses proffered

re-employment the second time, the employee shall be removed from the list and shall no longer be eligible for re-employment as a laid off employee.

Employees on the re-employment list shall be offered positions for which they qualify before new employees are hired.

Re-employment lists shall remain in effect for a period of one year. All employees on the re-employment list shall be mailed notices of vacancies in the City for a period of one year after their layoff.

### **Section 12.0 Work Hours**

When management employees work extraordinary hours; due to large numbers of night meetings, emergencies, major projects, etc., they may, subject to the approval of the Department Head, or in the case of a department head, the City Manager, be authorized additional time off. Such time will be granted only for extraordinary hours; both in excess of the regular work schedule and that time compensated for by administrative leave; and not exceed forty (40) hours per year.

Managers in 24/7 operations whose regular work shift falls on a City holiday shall receive an equivalent number of hours off duty, to be scheduled subject to Department Head approval and used within one month of the holiday. Such time will not be banked, incremented, or paid in lieu of time off.

In no event shall this time be construed to constitute overtime compensation nor shall it be applied on an hour for hour basis. This time has no cash value and is not bankable.

### **Section 13.0 FEMA Reimbursed Overtime**

In cases where there has been a declared emergency and the City receives cash reimbursement from FEMA, the City will reimburse represented employees for extraordinary overtime at an hour for hour basis.

### **Section 14.0 Flexible Work Schedules**

When operationally appropriate and determined to be in the best interest of the City, departments may establish flexible work schedules. Establishment of such schedules shall be in the sole discretion of the Department Head with the approval of the City Manager.

### **Section 15.0 Management Development Program**

In addition to the tuition reimbursement set forth herein, full-time employees shall receive a seven hundred and fifty dollar (\$750.00) per calendar year management development reimbursement. This reimbursement may be for such career development items as training courses, software, technical books, computer purchases when utilized for work-related items, San Leandro club memberships, fitness equipment (such as weights and exercise equipment) and/or health club memberships, etc. Expenses reimbursed under this program are subject to the approval of the employees' Department Head, or in place of the Department Head, the City Manager.

## **Section 16.0 Tuition Reimbursement**

The Tuition Reimbursement Program of the City of San Leandro Personnel Manual, Administrative Procedure 1840 is incorporated here by reference. The maximum tuition reimbursement benefit under the program is one thousand dollars (\$1,000.00) per employee per calendar year.

It is understood by the parties that classes taken as prerequisites to an approved course of study are covered by this Tuition Reimbursement Program.

## **Section 17.0 Bonus Pay**

The City Manager, in his sole discretion, may award additional pay based on performance, pursuant to the provisions of the Personnel Rules or other authority.

## **Section 18.0 Miscellaneous**

### 18.1 Licenses/Certificates

City to provide reimbursements for management employees required to possess professional certificates or licenses. Optional professional certificates/licenses will be reimbursed if job announcements identify them as desirable for a specific position(s). In addition, other professional certificates/licenses may be reimbursed with the prior approval of the department head and the concurrence of the City Manager.

### 18.2 Safety Shoes

Managers assigned to classifications designated by the City who are required to wear safety shoes shall be reimbursed on a biennial basis. The maximum amount will be two hundred and twenty-five dollars (\$225.00).

### 18.3 Application of Pay and Benefits

Only employees of the City, at the time this agreement is ratified by the City Council, are eligible to receive any of the salary or benefits so provided.

## **Section 19.0 Term of Agreement**

The above modifications have been agreed upon by the signatories of this Memorandum and shall be presented as a joint recommendation for implementation in reference to all employees represented by the San Leandro Management Organization. The modifications listed herein shall be effective for the period of time listed in section 1.0.

Dated: \_\_\_\_\_

**City Representative:**

\_\_\_\_\_  
Chris Zapata  
City Manager

Dated: \_\_\_\_\_

**Representatives:**

San Leandro Management Organization

\_\_\_\_\_  
Kenton Jang, President

\_\_\_\_\_  
Jennifer Auletta, Vice President

\_\_\_\_\_  
Keith Cooke, Secretary

**CITY OF SAN LEANDRO**  
**SLMO Salary Schedule**  
**Effective 10/1/13**

<b>SR CLASSIFICATION</b>	<i>Step 1</i>	<i>Step 2</i>	<i>Step 3</i>	<i>Step 4</i>	<i>Step 5</i>
<b>1</b> No Classification falls within range	<b>12386</b>	<b>13005</b>	<b>13656</b>	<b>14338</b>	<b>15055</b>
<b>2</b> No classification falls within range	<b>11796</b>	<b>12386</b>	<b>13005</b>	<b>13656</b>	<b>14338</b>
<b>3</b> Community Development Director Engineering and Transportation Director Finance Director Public Works Services Director	<b>11234</b>	<b>11796</b>	<b>12386</b>	<b>13005</b>	<b>13656</b>
<b>4</b> Human Resources Director Library Director Recreation and Human Services Director	<b>10699</b>	<b>11234</b>	<b>11796</b>	<b>12386</b>	<b>13005</b>
<b>5</b> No classification falls within range	<b>10190</b>	<b>10699</b>	<b>11234</b>	<b>11796</b>	<b>12386</b>
<b>6</b> City Engineer Human Resources Manager Information Services Manager	<b>9705</b>	<b>10190</b>	<b>10699</b>	<b>11234</b>	<b>11796</b>
<b>7</b> Business Development Manager Chief Building Official Chief Innovation Officer Principal Engineer	<b>9243</b>	<b>9705</b>	<b>10190</b>	<b>10699</b>	<b>11234</b>
<b>8</b> Assistant Finance Director Assistant Public Works Services Director Environmental Services Manager Facilities and Open Space Manager Library Services Manager Planning Manager Street Maintenance Manager Water Pollution Control Manager	<b>8802</b>	<b>9243</b>	<b>9705</b>	<b>10190</b>	<b>10699</b>
<b>9</b> City Clerk Senior Engineer	<b>8383</b>	<b>8802</b>	<b>9243</b>	<b>9705</b>	<b>10190</b>
<b>10</b> Assistant Water Pollution Control Manager Deputy Finance Director Emergency Services Manager Housing-Community Development Block Grant Manager Police Support Services Manager Recreation and Human Services Manager Shoreline Operations Manager	<b>7984</b>	<b>8383</b>	<b>8802</b>	<b>9243</b>	<b>9705</b>
<b>11</b> Assistant Information Services Manager Assistant to the City Manager Grants Administrator Public Information Officer Budget and Compliance Manager Senior Human Resources Analyst	<b>7604</b>	<b>7984</b>	<b>8383</b>	<b>8802</b>	<b>9243</b>
<b>12</b> No classification falls within range	<b>7242</b>	<b>7604</b>	<b>7984</b>	<b>8383</b>	<b>8802</b>
<b>13</b> Administrative Analyst II	<b>6897</b>	<b>7242</b>	<b>7604</b>	<b>7984</b>	<b>8383</b>
<b>14</b> No classification falls within range	<b>6569</b>	<b>6897</b>	<b>7242</b>	<b>7604</b>	<b>7984</b>
<b>15</b> Administrative Analyst I	<b>6256</b>	<b>6569</b>	<b>6897</b>	<b>7242</b>	<b>7604</b>
<b>16</b> No classification falls within range	<b>5958</b>	<b>6256</b>	<b>6569</b>	<b>6897</b>	<b>7242</b>





# City of San Leandro

Meeting Date: September 16, 2013

## Resolution - Council

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**File Number:** 13-446

**Agenda Section:** CONSENT CALENDAR

**Agenda Number:**

**TO:** City Council

**FROM:** Chris Zapata  
City Manager

**BY:** LaTanya Bellow  
Human Resources Manager

**FINANCE REVIEW:** David Baum  
Finance Director

**TITLE:** ADOPT: Resolution Approving Conditions of Employer Paid Member Contributions for San Leandro Management Organization (SLMO) Members (specifies the conditions of EPMC as required by the California Public Employee's Retirement System [CalPERS])

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WHEREAS, the City Council of the City of San Leandro has elected to pay all or a part of the normal member contributions to the California Public Employees' Retirement System (CalPERS) pursuant to Government Code Section 20691 - Employer Paid Member Contributions (EPMC); and

WHEREAS, the City Council of the City of San Leandro approved a Memorandum of Understanding with the San Leandro Management Organization (SLMO) for the period January 1, 2013 through June 30, 2015, which identifies the following conditions for member contributions to be paid by the employer:

Miscellaneous employees with a 2.5% @ 55 retirement benefit formula (Tier One):

- Effective October 1, 2013, employees shall commence paying 2% of the employee contribution and the City shall contribute 6%. Effective July 1, 2014, employees shall commence paying 5% of the employee contribution and the City shall contribute 3%. Effective June 1, 2015, employees shall commence paying 8% of the employee contribution and the City shall contribute 0%.

Miscellaneous employees with a 2% @ 55 retirement benefit formula shall contribute based on the greater of the amounts set forth below (Tier Two):

- Current employees in year 1 of employment shall pay 5% of the employee contribution and the City shall contribute 2%; in year 2 - employees shall pay 3% of the employee contribution and the City shall contribute 4%; in year 3 - employees shall pay 1% of the employee contribution and the City shall contribute 6%,

- Effective October 1, 2013, employees shall commence paying 2% of the employee contribution and the City shall contribute 5%. Effective July 1, 2014, employees shall commence paying 5% of the employee contribution and the City shall contribute 2%. Effective June 1, 2015, employees shall commence paying 7% of the employee contribution and the City shall contribute 0%.

Miscellaneous employees with a 2% @ 62 retirement benefit formula (Tier Three):

- Pursuant to the Public Employees' Pension Reform Act of 2013, employees hired after January 1, 2013 depending on previous California public agency employment are subject to specific pension formulas and employee contributions.

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE that the conditions of Employer Paid Member Contributions for employees of the San Leandro Management Organization (SLMO) are and shall be as set forth above.



# City of San Leandro

Meeting Date: September 16, 2013

## Resolution - Council

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**File Number:** 13-445

**Agenda Section:** CONSENT CALENDAR

**Agenda Number:**

**TO:** City Council

**FROM:** Chris Zapata  
City Manager

**BY:** LaTanya Bellow  
Human Resources Manager

**FINANCE REVIEW:** David Baum  
Finance Director

**TITLE:** ADOPT: Resolution Approving the Memorandum of Understanding Between the City of San Leandro and the San Leandro Management Organization (SLMO) for the Period January 1, 2013 Through June 30, 2015 (provides for a two-and-a-half year contract)

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WHEREAS, an agreement was reached between the negotiators for the City of San Leandro and the San Leandro Management Organization (SLMO) and ratified by the employees represented by SLMO; and

WHEREAS, a Memorandum of Understanding (MOU) between the City and SLMO, for the period January 1, 2013 through June 30, 2015, has been presented to this City Council; and

WHEREAS, the City Council is familiar with the contents thereof.

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE as follows:

1. That said MOU, is hereby approved and execution by the City Manager is hereby authorized; and
2. That the City Manager is authorized to make non-substantial revisions to said MOU, subject to the approval of the City Attorney; and
3. That an original executed MOU shall be attached to and made a part of this resolution.