

**CITY OF WALNUT CREEK  
RESOLUTION NO. 17-40**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WALNUT CREEK  
APPROVING AN AMENDMENT EXTENDING THE MEMORANDUM OF UNDERSTANDING,  
DATED JULY 1, 2014, BETWEEN THE CITY OF WALNUT CREEK AND THE  
CONFIDENTIAL UNIT**

**WHEREAS**, the City Council has designated the City Manager or his designee as the City of Walnut Creek's representative to meet and confer in good faith with the representatives of the Confidential Unit; and

**WHEREAS**, pursuant to the provisions of the Meyers-Milias-Brown Act (Government Code Section 3500, et seq.), the City Manager or his designee has met and conferred in good faith with the representatives of the Confidential Unit on matters relating to wages, hours, and other terms and conditions of employment; and

**WHEREAS**, said representatives of the City and the Confidential Unit have reached agreement and have jointly prepared a written amendment extending the Memorandum of Understanding dated July 1, 2014, (the "MOU", incorporated herein by this reference as Exhibit "A"); and

**WHEREAS**, the City Council finds that the terms and conditions of this agreement are proper and in the best interests of the City;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Walnut Creek:

Section 1. Adoption.

The amended Memorandum of Understanding is hereby adopted. The City Manager is hereby authorized to execute the amendment and to take such further actions as may be necessary to implement the terms of the amendment.

Section 2. Effective Date.

This resolution shall take effect immediately upon adoption.

**PASSED AND ADOPTED** by the City Council of the City of Walnut Creek at a regular meeting thereof held on the 6th day of June, 2017 by the following called vote:

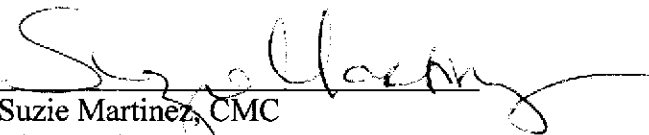
**AYES:** Councilmembers: Haskew, Silva, Wilk, Mayor Carlston

**NOES:** Councilmembers: Wedel

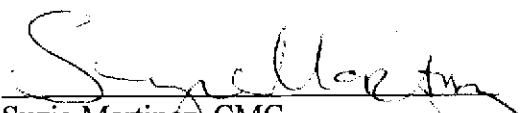
**ABSENT:** Councilmembers: None

  
\_\_\_\_\_  
Richard G. Carlston  
Mayor of the City of Walnut Creek

Attest:

  
Suzie Martinez, CMC  
City Clerk of the City of Walnut Creek

**I HEREBY CERTIFY** the foregoing to be a true and correct copy of Resolution No. 17-40 duly passed and adopted by the City Council of Walnut Creek, County of Contra Costa, State of California, at a regular meeting of said Council held on the 6th day of June, 2017.

  
Suzie Martinez, CMC  
City Clerk of the City of Walnut Creek

**EXHIBIT A**

**MEMORANDUM OF UNDERSTANDING**

**between the**

**CITY OF WALNUT CREEK**

**and the**

**CONFIDENTIAL UNIT**

**July 1, 2014 – June 30, 2017,  
Extended to June 30, 2018**

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**Section 1. Preamble.**

We, the undersigned, duly appointed representatives of the City of Walnut Creek ("City") and of the Walnut Creek Confidential Unit ("Unit"), having met and conferred in good faith, do hereby jointly prepare and execute the following Memorandum of Understanding ("Agreement").

**Section 2. Term.**

This agreement originally became effective July 1, 2014, and was set to remain in effect through June 30, 2017. The parties have amended the agreement -- subject to the provisions contained herein -- to be in effect through June 30, 2018.

**Section 3. Recognition.**

This agreement shall apply to Confidential Unit employees, which includes employees in the classifications of: Assistant to the City Clerk, Executive Assistant, Executive Assistant to the City Manager, Legal Assistant, Office Assistant II – Confidential, Office Specialist – Confidential, and Payroll Technician.

**Section 4. Salary Adjustments.**

A. Effective with the pay period beginning June 20, 2014, the salary ranges for Confidential Unit classifications shall be increased by 2.5% (two and one-half percent). The new bi-weekly salary ranges for Unit classifications are as follows:

<u>CLASS TITLE</u>	<u>CLASS CODE</u>	<u>STEP A</u>	<u>STEP B</u>	<u>STEP C</u>	<u>STEP D</u>	<u>STEP E</u>
Assistant to the City Clerk	C175	2404.33	2524.54	2650.77	2783.31	2922.47
Executive Assistant	C135	2271.17	2384.36	2498.23	2614.85	2738.38
Executive Assistant to the City Manager	C120	2404.33	2524.54	2650.77	2783.31	2922.47
Legal Assistant	C105	2313.33	2423.01	2541.33	2657.67	2783.31
Office Assistant II - Confidential	C145	1871.18	1961.46	2050.24	2149.57	2245.11
Office Specialist - Confidential	C165	2155.58	2263.17	2377.52	2495.64	2621.30
Payroll Technician	C160	2143.94	2251.92	2358.60	2468.58	2587.17

In addition, a one-time \$500 Off-Salary-Schedule payment to all Full-Time Unit employees shall be made in lieu of increases to the salary schedule. This one-time Off-Salary Schedule payment shall be made bi-weekly in the amount of \$19.24 to all Unit employees effective with the pay period beginning on June 20, 2014 and concluding effective with the pay period ending on June 18, 2015. The bi-weekly payment will be prorated for part-time employees.

B. Effective with the pay period beginning on June 19, 2015, the salary ranges for Confidential Unit classifications shall be increased by 2.5% (two and one-half percent).

C. Effective with the pay period beginning on June 17, 2016, the salary ranges for Confidential Unit classifications shall be increased by 2% (two percent).

D. Effective with the pay period beginning on June 18, 2017, the salary ranges for Confidential Unit classifications shall be increased by 3% (three percent).

The City's historical salary adjustment methodology, as described in Section 4 of the Confidential Unit MOU dated 2011-14, is on file in the Human Resources Office.

#### **Section 5. Insurance Benefits.**

A. Medical Insurance. (Full Time Employees)

1) Plans.

The City will offer the Kaiser Permanente HMO plan ("Kaiser HMO Plan") and the Blue Shield of California HMO Plan ("Blue Shield HMO Plan") to eligible Unit employees. All plans offered by the City are subject to carrier availability.

"Plan Year" is defined as medical coverage during each calendar year from January 1 through December 31. Employee premium contributions are deducted one month in advance of the month of medical coverage.

2) Blended Rates.

With the addition of the Blue Shield HMO plan in 2013, in order to maintain a sustainable two-carrier option, the City established City-wide blended and weighted single-party, two-party, and family rates (utilizing the Kaiser HMO and Blue Shield HMO rates), to be adjusted by the City each plan year. The resulting blended rates will equalize the cost of both plans for participating employees. Subject to the continuing availability of both plans, the City agrees to maintain blended rates for the 2014 and 2015 plan years.

The City reserves the right in its sole discretion to determine whether to continue the blended rate methodology for Plan Years 2016, 2017, and/or 2018. The City may discontinue the blended rate methodology for Plan Years 2016, 2017, and/or 2018 in the event that either medical plan is no

longer available, the City determines that it is no longer feasible to continue the blended rate methodology, or for other reasons within the City's sole discretion. In the event the City determines not to continue the blended rate methodology for Plan Years 2016, 2017, and/or 2018, the parties agree to meet and discuss medical insurance carrier availability, and premium rates, prior to Open Enrollment for that Plan Year. The parties endeavor to finalize any discussions within fifteen (15) days of commencing such discussions, in order to facilitate a smooth Open Enrollment period.

In the event that the blended rate premium methodology is not continued in Plan Year 2016, 2017, and/or 2018, in-lieu of the employee cost-sharing and contributions described below in Subsection 3 for full-time Unit employees and in Section 13.D.1 for part-time Unit employees and the employer contributions described in Subsection 4 for full-time Unit employees and in Section 13.D.2 for part-time Unit employees, the City shall contribute towards health care as follows.

Plan Year 2016: For full-time Unit employees, the City shall contribute 90% of the premium for the employee's plan and elected level of coverage, not to exceed 90% of the premium for the lowest-priced HMO plan available through the City. For eligible part-time Unit employees, the City shall contribute 45% of the premium for single-party coverage for the employee's elected plan, not to exceed 45% of the single-party premium for the lowest-priced HMO plan available through the City. Unit employees shall contribute the remainder of the applicable premium in effect at that time for the plan and coverage level elected by each eligible Unit employee.

Plan Years 2017 and 2018: For full-time Unit employees, the City shall contribute 87 ½% of the premium for the employee's plan and elected level of coverage, not to exceed 87 ½% of the premium for the lowest-priced HMO plan available through the City. For eligible part-time Unit employees, the City shall contribute 43 ¾% of the premium for single-party coverage for the employee's elected plan, not to exceed 43 ¾% of the single-party premium for the lowest-priced HMO plan available through the City. Unit employees shall contribute the remainder of the applicable premium in effect at that time for the plan and coverage level elected by each eligible Unit employee.

3) Employee Cost-Sharing for Full-Time Unit Employees.

- a. In recognition of the employer costs of providing health care, all full-time Unit employees enrolled in single-party, two-party, or family medical coverage under Kaiser HMO or Blue Shield HMO shall contribute on a pre-tax basis five (5) percent of the "blended rate" in effect at that time for the elected level of coverage.
- b. Effective with Plan Year 2015, all full-time Unit employees enrolled in single-party, two-party, or family medical coverage under Kaiser HMO or Blue Shield HMO shall contribute on a pre-tax basis seven (7) percent of the "blended rate" in effect at that time for the elected level of coverage.
- c. Effective with Plan Year 2016, in the event that the City decides to blend rates for Plan Year 2016 as described in Subsection 2 above, all full-time Unit employees enrolled in

single-party, two-party, or family medical coverage under Kaiser HMO or Blue Shield HMO shall contribute on a pre-tax basis ten (10) percent of the "blended rate" in effect at that time for the elected level of coverage.

- d. Effective with Plan Year 2017, in the event that the City decides to blend rates for Plan Years 2017 and/or 2018, as described in Subsection 2 above, all full-time Unit employees enrolled in single-party, two-party, or family medical coverage under Kaiser HMO or Blue Shield HMO shall contribute on a pre-tax basis twelve and one-half (12 ½) percent of the "blended rate" in effect at that time for the elected level of coverage.

4) Employer Contribution for Full-time Unit Employees.

Subject to employee cost-sharing in Subsection 3 for full-time Unit employees, the City shall contribute the remainder of the applicable Kaiser HMO or Blue Shield HMO premium in effect at that time for the plan and coverage level elected by each eligible full-time Unit employee.

5) In-Lieu of Medical Insurance.

Eligible full-time Unit employees with medical coverage outside of the City may waive all coverage in the City's medical insurance plans and redirect \$350 per month to a 457 Deferred Compensation Plan.

An employee must show proof of adequate medical insurance coverage under another medical plan before the benefit may be redirected. Employees will be subject to the open enrollment or qualifying event provisions of the City's medical plans in the event that termination of redirected benefits and resumption of medical coverage is desired.

B. Dental Insurance.

During the effective period of this agreement, the City shall provide, and assume any premium increases in, dental insurance for eligible full-time Unit employees and their eligible dependents. The City's dental plan requires employees to be responsible for the first \$50 of covered fees for each covered dependent in each calendar year up to an aggregate maximum deductible of \$150 per family in each calendar year. The maximum annual benefit is \$1,500 per eligible employee and per eligible dependent in each calendar year.

C. Vision Plan.

During the effective period of this agreement, the City shall provide, and assume any premium increases in, a vision benefit plan for full-time Unit employees and their eligible dependents through the Vision Service Plan (VSP) "B", or an equivalent plan. This plan provides eye examination coverage for employees and eligible dependents with a copayment of \$10; and corrective lenses and eyeglass frames for employees and eligible dependents with a copayment of \$25, subject to the Plan's restrictions.



D. Life Insurance.

During the effective period of this agreement, the City shall provide, and assume any premium increases in, life insurance for full-time Unit employees. The life insurance benefit shall be two (2) times the employee's annual base salary at the time of the employee's death to a maximum benefit of \$86,000.

E. Disability Insurance.

During the effective period of this agreement, the City shall provide, and assume any premium increases in, a disability insurance plan for full-time Unit employees. The maximum monthly benefit under the City's disability program shall be two-thirds (2/3) of the employee's monthly base salary as of the date of the disability.

Employees will be required to satisfy a thirty (30) calendar day waiting period from the date of disability before being eligible for benefits. The City shall coordinate use of accrued leave to the extent allowable under law and administer the Plan in accordance with Plan documents and all applicable laws.

F. Flexible Spending Accounts.

During the effective period of this agreement, eligible full-time Unit employees may participate in a Flexible Benefits Plan offered by the City pursuant to Internal Revenue Code Section 125 that includes flexible spending accounts for dependent care, medical expenses, and medical premium contributions.

**Section 6. Retirement Benefits.**

A. Retirement Benefit Levels.

1. Tier 1. The City shall maintain California Public Employees' Retirement System (CalPERS) benefits for Unit employees who are deemed to be "classic members" and who are employed with the City in a miscellaneous classification on or prior to March 2, 2012. The CalPERS benefit shall be based upon the 2% @ 55 retirement benefit formula, calculated using the single-highest year final compensation period (Govt. Code 20042).

2. Tier 2. The City shall maintain California Public Employees' Retirement System (CalPERS) benefits for Unit employees who are deemed to be "classic members" and who are employed with the City in a miscellaneous classification after March 2, 2012, and prior to January 1, 2013. The CalPERS benefit shall be based upon the 2% @ 60 retirement benefit formula, calculated using the three year average final compensation period (Govt. Code 20037).

3. Tier 3. PEPRA IMPLEMENTATION: Employees hired on or after January 1, 2013.

For Unit employees who are employed with the City in a miscellaneous classification on

or after January 1, 2013, and who are deemed by CalPERS to be "new members," the City shall provide retirement coverage based upon the 2% @ 62 retirement benefit formula (Govt. Code 7522.20), calculated using the three year average final compensation period.

For Unit employees who are employed with the City in a miscellaneous classification on or after January 1, 2013, and who are deemed by CalPERS to be "classic members," Tier 1 or Tier 2 benefits shall apply.

B. Employee Contributions.

All Unit employees shall pay the full employees' share of the California Public Employees' Retirement System employee contribution as determined by CalPERS; the City shall not pay any portion of the required employee contribution.

These employee payments will be reported on a pre-tax basis, consistent with the method described in Subsection C(1) below.

C. Retirement Plan Tax Reporting Method.

1. Subject to the requirements of this subsection, the City shall continue Internal Revenue Code Section 414(h)(2) tax reporting for the employee member contributions. This tax reporting method provides that employee contributions made for the purpose of defraying employer benefits costs may be treated as employer contributions for federal and state tax purposes and will be made on a pre-tax basis.
2. Should the tax reporting method referenced in this subsection be prohibited or amended by law, regulation, or administrative interpretation at any time during the effective period of this agreement, the City will comply with such prohibition or amendment and shall so notify Unit employees in writing.

For active Unit employees and former Unit employees who retire during the effective period of this agreement, it is agreed that the City of Walnut Creek shall be held harmless from any and all taxes, fines, penalties, costs, or other fees or liability which may be imposed on it as a result of agreeing to the tax reporting method referenced herein and, accordingly, the City may take any such other action as it deems appropriate to ensure that it is held harmless from such taxes, fines, penalties, costs, or any other fees or liability including, but not limited to, wage deductions or other actions for restitution. Further, it is agreed that the City shall be held harmless from any and all taxes, fines, penalties, costs, or other fees or liability which may be imposed on active employees and former employees who retire during the effective term of this agreement, as a result of the tax reporting method set forth in this subsection.

**Section 7. 401(a) Money Purchase Plan.**

To assist Unit employees with post retirement expenses, including retiree medical expenses, the City shall make contributions to a defined contribution 401(a) Money Purchase Plan for each eligible full-time and part-time Unit employee. These contributions will be made on a pre-tax basis and are fully vested upon deposit. The contribution amounts will be pro-rated for eligible part-time Unit employees.

The City contribution shall be \$25.97 bi-weekly, for a total contribution of \$675 annually. Effective with the pay period beginning on June 17, 2016, the City contribution shall be increased to \$46.16 biweekly, for a total contribution of \$1,200 annually.

**Section 8. Compensatory Time.**

Unit employees will be allowed to accumulate compensatory time off to a maximum of forty (40) hours; provided, however, that the Unit recognizes that changes in the granting and accumulation of compensatory time off may be legally required to implement the terms of the Fair Labor Standards Act. Such compensatory time may be taken with the approval of the employee's supervisor.

**Section 9. General Leave.**

Pursuant to Section 1008 of the Personnel System Rules and Regulations of the City of Walnut Creek, all employees in the Confidential Unit shall have leave benefits as determined by the General Leave Plan as set forth in Exhibit "A" of this agreement, attached hereto and incorporated herein by this reference, and the provisions of Chapters 8 and 9 and Section 1002 of the Personnel Rules shall not apply to these employees.

**Section 10. City Closure Days/Special Paid Time Off.**

For calendar years 2014, 2015, and 2017, the City is considering the closure of non-essential operations during the Winter Break. For 2014, the three closure days would be December 26th, 29th, and 30th; for 2015, the three closure days would be December 28th, 29th, and 30<sup>th</sup>; and for 2017, the three closure days would be December 26, 27, and 28. The City will make every effort to notify the Unit no later than September 15th in 2014, 2015, and 2017, as to whether the City will be open or closed for the three days during that year's Winter Break. The Unit agrees that the City has the unilateral right to decide whether to close for Winter Break(s).

If the City decides to close during the Winter Break, the City will provide three days (24 hours) of Special Paid Time Off to each full-time Unit employee. The number of hours of Special Paid Time Off shall be pro-rated for part-time Unit employees.

If the City needs certain employees to work during the Winter Break closure(s), those employees shall receive compensation of straight time pay for the first eight (8) hours of work (or the number of hours in that employee's regularly scheduled day if different than eight (8) hours), and in addition, time and one-half (1½) pay or compensatory time for each hour worked up to eight (8) hours. Hours worked in excess of eight (8) (or the number of hours in that employee's regularly scheduled work day if different than eight (8) hours) on such days shall be considered as overtime and shall be compensated for under the appropriate overtime pay provisions. For part-time employees, the time and one-half (1½) pay or compensatory time shall be prorated based on their occupied one-half time or three-quarter time position. The time and one-half (1½) pay is in lieu of time off for the Winter Break closure day.

Department directors will provide sixty (60) calendar days written notice to those employees required to work on a Winter Break closure day. In the event unforeseen (or emergency) conditions affect and/or abbreviate the sixty (60) days written notice period, the department director will request a volunteer(s) prior to assigning an employee to work on a Winter Break closure day at the earliest possible time in advance of the Winter Break closure day.

A Unit employee who is called out to work on a Winter Break closure day shall receive compensation of a minimum of three (3) hours pay at straight time rate, or time and one-half (1½) for actual hours worked, whichever is greater. The minimum of three (3) hours pay at straight time or time and one-half pay (1½) is in lieu of time off for the actual hours worked on the Winter Break closure day. The difference between the number of actual hours worked, if any, and eight (8) hours shall be charged to Special Paid Time Off.

A Unit employee whose regularly scheduled day off work falls on a Winter Break closure day shall be given a bank of Special Paid Time Off hours, not to exceed 8 hours for each day, for use during the remainder of the fiscal year. Use of the banked time must comply with the guidelines described in the following paragraph.

If the City decides not to close during the Winter Break, each Unit employee will be given a bank of three days (24 hours) of Special Paid Time Off for use during the remainder of the fiscal year. The number of hours of Special Paid Time Off shall be pro-rated for part-time Unit employees. Unit employees may begin using Special Paid Time Off hours beginning the first full pay period after the announcement to not close during the Winter Break has been made.

Any banked Special Paid Time Off from 2014 must be used no later than June 18, 2015, and any banked time off remaining as of June 19, 2015 shall be forfeited. Any banked Special Paid Time Off from 2015 must be used no later than June 16, 2016, and any banked time off remaining as of June 17, 2016 shall be forfeited. Any banked Special Paid Time Off from 2017 must be used no later than June 16, 2018, and any banked time off remaining as of June 17, 2018, shall be forfeited. To gain approval to use banked Special Paid Time Off employees shall use the same procedures as noted in Article V.1. – V.1.a. of the General Leave Plan attached hereto as Exhibit "A".

An employee whose employment with the City terminates shall not receive compensation for any unused Special Paid Time Off.

The City reserves the exclusive right to eliminate, modify, or continue this section in its entirety effective for calendar year 2016. In the event the City determines to continue the Winter Closure/Special Days Off, the City shall administer the Winter Closure/Special Days Off in accordance with this section or with similar provisions in other Memoranda of Understanding in effect at the time of the decision.

### **Section 11. Retirement Health Savings (RHS) Plan.**

1) Through the effective period of this agreement, the City agrees to provide contributions for Unit employees toward a Retirement Health Savings (RHS) Plan, to be administered by ICMA Retirement Corporation or its affiliates, as described below. The intent of this Plan is for the benefits to be available to partially defray the costs incurred by employees for health plan premiums or medical expenses after retirement from the City. The plan shall be in lieu of any other City-funded retiree medical plan.

2) The City shall contribute \$125.00 monthly to a Retirement Health Savings Plan if the following conditions are met:

a.) The Unit employee is appointed to a full-time position at the time of receipt of the benefit

b.) The Unit employee has completed fifteen years of regular service with the City. Regular service is defined, for purposes of this section only, as any time served in City employment in a part-time or full-time capacity.

c.) This section does not apply to any time in service as a temporary employee.

These contributions will be made for each complete calendar month of an employee's active City service; except that employees on authorized unpaid leave from City employment while assigned to active military duty shall receive monthly contributions during the period of such leave. Presently, these contributions begin with the employee's sixteenth year of regular, full-time service and continue through the employee's twenty-fifth year of service. Effective following adoption of the MOU by the City Council and as soon as administratively feasible, the City's contributions will begin with the employee's sixteenth year of regular City service and shall continue until the employee's separation from City service. All plan contributions made by the City on behalf of active Unit employees are 100% vested. No plan contributions shall be made following an employee's separation from City service.

3) The Retirement Health Savings Plan shall provide for benefits to be paid to a Unit employee after separation from City service based upon contributions made on behalf of such employee and shall not define a particular benefit to be paid to such employee.

**Section 12. Job Enrichment/Career Development Program.**

All full-time Unit employees may participate in the Job Enrichment/Career Development Program. Part-time employees shall receive Program benefits as specified in Section 13(E) of this agreement.

Each Unit employee may expend a specified amount per year for conferences, seminars, professional organization memberships, professional and technical publications, tuition, and other educational benefits such as class required books or software. The expenditure of these funds shall be subject to approval of the City Manager or his authorized designee. Accrual of program funds of not more than two years may be carried over as approved by the City Manager or his authorized designee.

The annual Job Enrichment/Career Development Program allowance for eligible full-time Unit employees shall be \$700 per employee.

**Section 13. Part-time Employees.**

Eligible part-time Unit employees shall benefit from the following:

A. General Leave.

Part-time employees shall be eligible to accrue General Leave benefits on the same accrual basis as full-time Unit employees but in an amount proportionate to the ratio of regularly scheduled hours of work per week to the standard work week, subject to the provisions of the General Leave Plan set forth in Exhibit "A" attached hereto and incorporated herein by this reference.

B. Holidays.

All eligible part-time employees regularly scheduled to work 20 hours or more per week on a continuous basis shall receive prorated holiday pay for each holiday provided to regular Unit employees, as follows: employees regularly scheduled to work 20 hours per week shall receive 4 hours holiday pay; employees regularly scheduled to work 30 hours per week shall receive 6 hours holiday pay.

C. City Closure Days/Special Paid Time Off.

All eligible part-time employees regularly scheduled to work 20 hours or more per week on a continuous basis shall receive prorated Special Paid Time Off for each closure day provided to regular Unit employees, as follows: employees regularly scheduled to work 20 hours per week shall receive 4 hours Special Paid Time Off per closure day; employees regularly scheduled to work 30 hours per week shall receive 6 hours Special Paid Time Off per closure day. Any banked Special Paid Time Off hours must be used as set forth in Section 10.

D. Medical Insurance.

1) Employee Contributions.

Eligible part-time Unit employees who are regularly scheduled to work twenty (20) hours or more per week on a continuous basis and who are enrolled in single-party, two-party, or family medical coverage, in either the Kaiser HMO or Blue Shield HMO plans, shall contribute towards health care as follows:

- a. For Plan Year 2014, all eligible part-time Unit employees who are enrolled in single-party, two-party, or family medical coverage under Kaiser HMO or Blue Shield HMO, will contribute 52 ½% (fifty-two and one-half percent) of the single-party “blended rate” in effect at that time. For employees electing two-party or family coverage, an additional pre-tax employee premium contribution will be required, as follows:
  - i. For part-time employees enrolled in two-party coverage, the employee will contribute the difference between the single-party “blended rate” and the two-party “blended rate” in effect at that time;
  - ii. For part-time employees enrolled in family coverage, the employee will contribute the difference between the single-party “blended rate” and the family “blended rate” in effect at that time.
- b. Effective with Plan Year 2015, for all eligible part-time Unit employees who are enrolled in single-party, two-party, or family medical coverage under Kaiser HMO or Blue Shield HMO, employee pre-tax premium contributions will be required, as follows:
  - i. For part-time employees enrolled in single-party coverage, the employee will contribute fifty-three and one-half (53 ½) percent of the single-party “blended rate” in effect at that time;
  - ii. For part-time employees enrolled in two-party coverage, the employee will contribute fifty-three and one-half (53 ½) percent of the single-party “blended rate” and the difference between the single-party “blended rate” and the two-party “blended rate” in effect at that time;
  - iii. For part-time employees enrolled in family coverage, the employee will contribute fifty-three and one-half (53 ½) percent of the single-party “blended rate” and the difference between the single-party “blended rate” and the family “blended rate” in effect at that time.
- c. Effective with Plan Year 2016, in the event that the City decides to blend rates for the plan year, as described in Section 5.A.2., for all eligible part-time Unit employees who are enrolled in single-party, two-party, or family medical coverage under Kaiser HMO or Blue Shield HMO, employee pre-tax premium contributions will be required, as follows:

- i. For part-time employees enrolled in single-party coverage, the employee will contribute fifty-five (55) percent of the single-party “blended rate” in effect at that time;
  - ii. For part-time employees enrolled in two-party coverage, the employee will contribute fifty-five (55) percent of the single-party “blended rate” and the difference between the single-party “blended rate” and the two-party “blended rate” in effect at that time;
  - iii. For part-time employees enrolled in family coverage, the employee will contribute fifty-five (55) percent of the single-party “blended rate” and the difference between the single-party “blended rate” and the family “blended rate” in effect at that time.
- d. Effective with Plan Year 2017, in the event that the City decides to blend rates for Plan Year 2017 and/or 2018, as described in Section 5.A.2., for all eligible part-time Unit employees who are enrolled in single-party, two-party, or family medical coverage under Kaiser HMO or Blue Shield HMO, employee pre-tax premium contributions will be required, as follows:
- i. For part-time employees enrolled in single-party coverage, the employee will contribute fifty-six and one-quarter (56 ¼) percent of the single-party “blended rate” in effect at that time;
  - ii. For part-time employees enrolled in two-party coverage, the employee will contribute fifty-six and one-quarter (56 ¼) percent of the single-party “blended rate” and the difference between the single-party “blended rate” and the two-party “blended rate” in effect at that time;
  - iii. For part-time employees enrolled in family coverage, the employee will contribute fifty-six and one-quarter (56 ¼) percent of the single-party “blended rate” and the difference between the single-party “blended rate” and the family “blended rate” in effect at that time.

2) Employer Contributions.

Subject to employee cost-sharing and contributions in Subsection 1, the City shall contribute the remainder of the applicable Kaiser HMO or Blue Shield HMO premium in effect at that time for the plan and coverage level elected by each eligible part-time Unit employee.

3) In-Lieu of Medical Insurance.

Eligible part-time Unit employees with medical coverage outside of the City may waive all coverage in the City’s medical insurance plans and redirect \$175 per month to a 457 Deferred Compensation Plan. Employees will be subject to the open enrollment or qualifying events



provisions of the City's medical plans in the event that termination of redirected benefits and resumption of medical coverage is desired.

E. Job Enrichment/Career Development Program.

For part-time Unit employees the City may expend a specified amount per year for designated Job Enrichment/Career Development Program purposes as set forth in Section 12 of this agreement. Employees regularly scheduled to work 20 hours per week shall receive one-half of the amount specified for full-time Unit employees; employees regularly scheduled to work 30 hours per week shall receive three-quarters of the amount specified for full-time Unit employees.

F. Flexible Spending Accounts.

All eligible part-time Unit employees may participate in a Flexible Benefits Plan that includes flexible spending accounts for dependent care, medical expenses, and medical premium contributions.

**Section 14. Personnel Rule Applications.**

Except as provided by Section 105 of the City's Personnel Rules, effective July 1, 2008, Sections 1205-1210 of the Personnel Rules as applied to the employees subject to this agreement shall be as follows:

**“SECTION 1205 RIGHT OF APPEAL – PROCEDURE**

A regular employee shall have the right of appeal from any disciplinary action taken under this chapter. Such appeal must be filed with the City Manager with a copy to the Human Resources Office and the department within ten (10) calendar days after the receipt of written notice of the imposition of disciplinary action. The appeal must state specifically the issue(s) in controversy and the facts upon which the issue(s) is based. In the case of disciplinary action consisting of official reprimand or suspension for five (5) days or fewer, the City Manager shall conduct an informal hearing on the matter within ten (10) calendar days of receiving the appeal. The decision of the City Manager shall be final. In the case of disciplinary action consisting of suspension in excess of five (5) days, up to and including termination, an employee dissatisfied with the action imposed may appeal the action to an advisory hearing officer. To determine the appeal, an advisory hearing shall be provided in Sections 1206-10 of the Personnel Rules as follows.”

**“SECTION 1206 HEARING OFFICER PROCEDURE**

If an employee wishes to have a review of the City Manager's decision on appeal pursuant to Section 1205, the matter shall be submitted to a hearing officer for the purpose of reviewing the discipline and rendering an advisory opinion to the City Manager.

The hearing officer shall be selected from among a list of names not to exceed ten (10) names provided by the California State Conciliation Service or from such other source mutually agreed

upon between the parties. After a toss of coin to decide which party shall move first, a representative of the City and the employee shall alternately strike one name from the list until one name remains and such person shall act as the hearing officer. The next to the last name stricken shall be the alternate hearing officer to serve in the event the first hearing officer is not available. This procedure shall be followed until there is an available hearing officer. In the event that both parties cannot agree upon the appropriate hearing officer association as a source for the ten (10) names within ten (10) days from the date that the appeal is filed, the ten names shall be supplied by the California State Conciliation Service.

The cost of retaining the hearing officer and the incidental expenses arising from the hearing shall be borne equally by the parties.”

#### **“SECTION 1207 CONDUCT OF HEARING**

When a hearing officer has been selected, the City, appellant and hearing officer shall begin the proceeding as expeditiously as possible, but not later than forty-five (45) days from the selection of the hearing officer.

The hearing shall be closed to the public unless the appellant requests an open hearing at the time the appeal is filed.

The hearing officer shall be governed by Government Code Section 6250 et seq., and other pertinent provisions of law with respect to the discovery of confidential records, files and memoranda.”

#### **“SECTION 1208 HEARING OFFICER RECOMMENDATION**

The Advisory Opinion of the hearing officer shall:

- a. Be made in writing within thirty (30) calendar days of the close of the hearing;
- b. Shall be advisory only;
- c. Shall recite the basis for the hearing officer’s conclusions.

The written Advisory Opinion shall be sent to the City Manager, City Attorney and appellant when rendered.

All written documents which may have been considered during the course of appeal and the record of proceedings and the findings and conclusions of the hearing officer shall be promptly filed in the Human Resources Office.”

#### **“SECTION 1209 STANDARDS GOVERNING ADVISORY OPINION**

The hearing officer’s advisory opinion shall be based upon the following standards of review:

- a. Whether there is evidence to justify the disciplinary action taken;
- b. Whether a violation or omission of procedure for disciplinary action was made, which violation or omission resulted in prejudice to the employee;
- c. Whether the action taken resulted from political, religious, or racial bias or prejudice;
- d. Whether the action taken was unreasonable, capricious or arbitrary in view of the offense, the circumstances surrounding the offense, and the past record of the employee.”

**“SECTION 1210 WAIVERS/WITHDRAWAL OF APPEAL**

Notwithstanding any provision in this chapter, any time limit or stage of procedure herein provided may be waived upon consent of both parties involved.

At any time after an appeal has been filed, an employee shall have the right to withdraw his or her appeal by written notification to the City Manager.

Failure of the appellant to file an appeal within the period specified constitutes a waiver of appeal.

Failure of the appellant to appear at any hearings provided for in the disciplinary process shall be deemed a withdrawal of his or her appeal and the action of the Department Director will be final.”

**Section 15. Repealer.**

To the extent that any provision of this agreement conflicts with any provision of any prior Council resolution concerning the issues determined by this agreement, the provision of the prior resolution is repealed.

DATED: 6/15/17

**FOR THE CONFIDENTIAL UNIT**

By: Sonja Cheshareck  
Sonja Cheshareck, Negotiator

By: Cyndi Hashimoto  
Cyndi Hashimoto, Negotiator

**FOR THE CITY OF WALNUT CREEK**

By: Frances M. Robustelli  
Frances M. Robustelli, Interim City Manager

By: Kelly Guertin  
Kelly Guertin, Human Resources Manager

**EXHIBIT A: CITY OF WALNUT CREEK GENERAL LEAVE PLAN  
FOR CONFIDENTIAL UNIT EMPLOYEES**

**ARTICLE I  
Definition**

General Leave is compensated leave for those eligible employees who are absent from duty because of illness, certain family member illness, death in the family, medical or dental care appointments, family care, personal reasons or who utilize the time off as vacation.

**ARTICLE II  
Applicability**

This General Leave Plan shall apply to regular and part-time employees in the Confidential Unit.

**ARTICLE III  
General Leave Credits**

1. Effective with the pay-period beginning on June 20, 2014, eligible regular full-time employees shall be entitled to the following annual accrual equivalent to an eight-hour work day.

<u>Years of Completed Service</u>	<u>General Leave Accrual</u>
1 thru 4	160 working hours (20 days)
5 thru 9	184 working hours (23 days)
10 thru 14	208 working hours (26 days)
15 thru 19	224 working hours (28 days)
20 thru 24	232 working hours (29 days)
25 or more	240 working hours (30 days)

2. General leave shall be earned in working hours on a pay period basis.

3. Eligible part-time employees shall accrue hourly general leave credits in an amount proportionate to the ratio of scheduled hours of work per week to the standard work week. In no case shall the number of accrued leave days per month exceed the number of general leave days allowed based on years of service. Part-time employees working less than 20 hours a week, and temporary and emergency employees shall not earn general leave.

4. General leave credits are not earned during periods of unpaid leave. Absence without pay or partial months of employment (e.g. last month of employment) shall cause the monthly accrual of leave to be reduced on a pro-rated basis. Any reductions in leave accruals shall be in increments of one hour.

5. Upon completion of the first full pay period of continuous active service following appointment, full-time and part-time employees shall be eligible to use accrued general leave, subject to the provisions of Article V.

6. Maximum Accumulation: General leave credits may be accumulated until a maximum of 540 hours is reached, at which time the excess hours will be lost. An employee who has exceeded or is nearing the 540 hour maximum and who is in jeopardy of losing future hours of earned credit due to current inability to use or transfer the hours of credit, may propose a program subject to the City Manager's approval to effectively reduce the general leave balance within two years by either using the general leave credits as provided in Article V; or converting the credits to pay or sick leave as provided in Article VI; or have General Leave hours in excess of the 540 hour maximum thereafter accrue to the sick leave bank; or any combination of these methods. Whenever such a program has been approved by the City Manager, the City Manager may allow the employee to accumulate a maximum of 640 hours of general leave credit. Notwithstanding Articles IV, V, or VI and solely for the purposes of this subsection, any employee may establish a sick leave bank subject to City Manager approval.

7. Employees otherwise exempt from the Fair Labor Standards Act (FLSA) shall not have their salary reduced for General Leave use for absences of less than a day, when all General, administrative or compensatory time balances, or sick leave balance if appropriate, are exhausted. Such absences shall be shown as negative General Leave balances; the negative balance shall be reduced by the crediting of future earned leave.

#### ARTICLE IV General Leave Implementation

When an employee who has accrued vacation and sick leave credits becomes eligible to participate in the General Leave Plan, unused leave credits shall be transitioned on the first day of General Leave Plan eligibility as follows:

1. Vacation Leave Credits: All unused vacation leave credits shall be converted to general leave credits on an hour for hour basis.

2. Sick Leave Credits: All unused sick leave credits shall be maintained as a bank of sick leave hours to be used in accordance with the provisions of Article V of this Plan.

During the first six months of participation in the General Leave Plan, employees who have accrued sick leave credits transferred to a sick leave bank, shall be permitted to use sick leave for absence due to his/her illness, and for medical and dental appointments. Beginning the seventh month of General Leave Plan participation, an employee may use sick leave credits in accordance with Article V of this Plan. New employees hired into classes covered by this General Leave Plan will not be eligible to establish a sick leave bank.

**ARTICLE V**  
General Leave Usage

1. Request and Approval: Department Directors are responsible for arranging leave schedules so that adequate personnel are available to carry on necessary City work. The use of general leave shall require approval of the Department Director or his/her designee. Whenever possible, general leave requests must be approved in advance of the days to be taken as general leave. The procedure for requesting the use of general leave shall be as follows:

a. Non-medical Personal Leave: Any leave that can be reasonably forecast or anticipated such as vacation, care of children, personal business, etc. shall require prior approval of the Department Director, or the employee's supervisor. The time and amount of general leave to be taken for non-medical purposes shall be determined by the Department Director with due regard for the wishes of the employee and particular regard for the needs of the City.

b. Medical Leave: An absence from work due to an employee's illness or for a medical or dental appointment shall be referred to as medical leave. The Department Director may require an employee to furnish satisfactory evidence justifying the need to be absent from work for medical reasons. The determination and final approval of general leave for medical reasons shall be made by the Department Director.

c. An employee may request general leave for an unanticipated absence from work (e.g. medical leave, car trouble, care of children, etc.) by notifying his/her supervisor within one (1) hour after the time set for reporting to work on the first day of such leave and as often thereafter as directed by his/her supervisor. Final approval for an unanticipated, unscheduled absence shall require Department Director approval. Failure to request an unscheduled leave in the manner described may result in lost work time charged as leave without pay or unauthorized leave of absence.

d. Any employee who is absent from work on an unscheduled leave shall not engage in work or other activities which will inhibit his/her ability to report for work at the earliest possible time.

e. Medical examination by the City's examining physician may be requested by the Department Director after prolonged, serious, or repetitious illness, injury, or major surgery. An employee's return to duty following illness or injury is subject to the approval of the Department Director or Personnel Officer based upon medical information supplied by the employee's physician and/or the City's physician.

f. General leave may not be used to supplement long-term disability payments.

g. On-the-job Injury (OJI): An employee absent from work because of a temporary disability which is defined as industrial under the Workers' Compensation Act shall be entitled to an industrial leave as follows:

1) When a non-public safety employee is off work as the result of a valid on-the-job injury or illness sustained in the service of the City, the city shall continue his/her pay in the amount of his/her monthly rate for up to but no longer than sixty (60) cumulative working days per injury. In addition to the foregoing, when an employee is off work as the result of a valid on-the-job injury or illness, during each annual period beginning on the first anniversary date of the injury or illness, the City shall continue his/her pay in the amount of 50% of his/her monthly rate for up to but no longer than thirty (30) additional cumulative working days per injury. Any of these 30 additional days not used during an annual period may not be carried over into subsequent years. If an employee receives pay in the amount of 50% of his/her monthly rate for any day(s) pursuant to this section, the employee may use any accrued leave for the balance of such day(s) in order to receive 100% of his/her monthly rate. For the purpose of this section, working days shall include scheduled days off work due to the same valid on-the-job injury or illness on both the working day before and after the holiday. For any salary continuance benefit paid under this section, the City shall only pay that amount necessary to make up the difference between the employee's monthly rate and the amount payable to the employee as temporary disability payments from the Workers' Compensation Insurance Plan of the City. Such pay shall be considered as on-the-job injury leave and shall not be charged as sick leave. In no event shall an employee be entitled to receive both the foregoing benefit and the long-term disability benefit for the same day(s).

2) Public Safety employees may continue to receive regular salary for up to one year when incapacitated for work due to an on-the-job injury or illness, as provided for in the Labor Code.

When an employee has exhausted OJI leave, he/she may charge general leave credits (or unused sick leave) in an amount necessary to make up the difference between the employee's regular pay and the amount payable to the employee as temporary disability payments from the Workers' Compensation Insurance Plan of the City.

h. Use of General Leave When Permanently Incapacitated: General leave shall not be used to continue the salary or employment of any employee after it has been determined that such employee is permanently incapacitated for a return to employment and is eligible for disability retirement.

i. Disability Income Protection: A disability income protection plan shall be provided for all employees covered by the General Leave Program. The disability income protection plan shall have a waiting period of thirty (30) calendar days before the benefits shall be extended to an employee. The benefits, terms and conditions are described in the Long-term Disability Insurance Plan.

j. General Leave Advance: The City Manager may advance up to ten (10) days of general leave. Should an employee take general leave in excess of his/her accrual and subsequently terminate, the City shall deduct from his/her final paycheck an amount equal to the unaccrued general leave that was used.



k. Use of Sick Leave: Only employees who have unused sick leave credits earned under the City's sick leave plan shall be eligible to establish a sick leave bank as provided by Article IV of this Plan. Credits in a sick leave bank may be used if one of the following conditions apply.

1) With the approval of the Department Director, an employee absent due to his/her illness or injury may use unused sick leave balances.

2) With the approval of the Department Director, an employee absent due to the illness or injury of a family member may use unused sick leave balances in accordance with applicable laws.

## ARTICLE VI

### 1. General Leave Conversion to Pay or Sick Leave:

To be eligible for General Leave Conversion, an employee must have a minimum of 22 days (176 hours) of general leave or sick leave credits (or a combination thereof) remaining after the conversion. Each year in December up to sixty-four (64) hours of general leave may be converted as follows:

a. Buy-back: Upon using one-half of general leave credits accrued during the preceding 12-month period from December 1 through November 30, an employee may request to receive pay for up to sixty-four (64) hours of general leave credits at the current hourly salary rate, according to the following schedule:

<u>Years of Service</u>	<u>Hours</u>
1 - 5	40
6 - 10	48
11 - 15	56
16 - +	64

b. Sick Leave: In lieu of pay, an employee with a sick leave bank may convert up to 40 hours of general leave to the sick leave bank. General leave credits may be converted to sick leave credits on an hour-for-hour basis in order to provide security against extended illness and/or to accumulate PERS service credits.

## **ARTICLE VII**

### **General Leave at Termination**

1. An employee whose employment with the City terminates shall be paid for each hour of unused general leave. Payment for unused general leave shall be made at the hourly rate of pay in effect for such employee at the time of separation.
2. An employee may use up to ten (10) days of general leave to extend a termination date beyond the last day actually worked. The use of more than ten (10) days shall be allowed only with the consent of the City Manager, or in the case of employees appointed by the City Council, the consent of the City Council.
3. When termination is caused by the death of an employee, pay for unused general leave shall be paid to the beneficiary the employee has designated. Such designation shall be in writing, signed by the employee and filed with the Personnel Office. In the event an employee has not designated a beneficiary, the payment shall be made to the estate of the employee.

## **ARTICLE VIII**

### **Holidays During General Leave**

When a day designated and observed by the City as a holiday occurs on a day on which an employee is taking general leave, such employee shall not be charged as using general leave for that day. The employee's compensation for that day shall be holiday pay.

## **ARTICLE IX**

### **Effect of Extended Military Leave**

An employee who is granted a military leave of absence exceeding 180 calendar days may request payment for that part of general leave accumulation that remains as of the date the leave commences.