MEMORANDUM OF UNDERSTANDING ("MOU") between the CITY OF SAN MARCOS, CALIFORNIA, hereinafter known as the "City" and the SAN MARCOS SUPERVISORS' ASSOCIATION, hereinafter known as the "Association".

ARTICLE I - INTENT AND PURPOSE

This MOU is a result of meeting and conferring with representatives of the City, as the employer, and representatives of the Association. The terms and conditions of employment as set forth in this MOU have been discussed in good faith between the City and the Association.

The Association has recommended to its members and its membership has approved all of the terms and conditions of employment, as set forth herein, and the City representatives also recommend to the City Council of the City of San Marcos that all of the terms and conditions of employment as set forth herein be adopted by resolution of the City Council of the City of San Marcos.

This agreement shall become effective upon adoption of said resolution by the City Council of the City of San Marcos.

<u>ARTICLE II – ASSOCIATION RIGHTS</u>

Section 1 – Association Representation

This MOU covers all work for the City by employees represented by the Association, which includes supervisory employees and specifically excludes miscellaneous classified, confidential and management position employees. Those classifications represented by the Association are listed in the CLASSIFICATION AND COMPENSATION SCHEDULE.

Section 2 – Scope of Meeting and Conferring

The scope of representation shall include wages, hours and other terms and conditions of employment. Notwithstanding the foregoing, nothing is intended to circumscribe or modify the exclusive management's rights of the City, as listed in The City of San Marcos Personnel Rules and Regulations. (Revised, July 14, 2015)

Section 3 – Meeting and Conferring Process

A reasonable number, not to exceed three (3) Association representatives, will be allowed reasonable time off without loss of compensation or other benefits when formally meeting and conferring with representatives of the City on matters within the scope of representation. No two representatives are to be employed in the same Division and no more than three representatives are to be employed in the same Department.

Section 4 – Reasonable Notice

Reasonable written notice shall be given to the Association of any ordinance, rule, resolution or regulation directly relating to matters within the scope of representation proposed to be adopted by

the San Marcos City Council. The Association shall be given the opportunity to meet and discuss with the City prior to adoption as required by law.

In cases of emergency, when the City determines that an ordinance, rule, resolution or regulation must be adopted immediately without prior notice or meeting with the Association, the City shall provide such notice and opportunity to meet at the earliest practicable time following the adoption of such ordinance, rule, resolution or regulation.

All communications and/or notices shall be delivered to the Association by the City via email to the current board members of the association. Reasonable notice shall be considered to be seventy-two (72) hours.

<u>Section 5 – Association Officers</u>

The City feels it is appropriate to limit the number of employees receiving time off with pay to conduct Association business to the three agreed to above in ARTICLE II – ASSOCIATION RIGHTS, Section 3, Meeting and Conferring Process. If the Association wishes to have additional employees working with the Association on non-paid time that is within their discretion.

Section 6 – Use of Bulletin Boards and City E-mail

The Association may use a portion of City bulletin boards under the following conditions:

- A. The City reserves the right to determine the location of bulletin boards and the portion to be allocated to the Association.
- B. All materials must be dated and identify the Association.
- C. Unless special arrangements are made, materials posted will be removed thirty-one (31) days after publication date.
- D. Materials considered objectionable by the City will not be posted. The Association will direct questions concerning objectionable material to the Human Resources/ Risk Director.
- E. The Association will be permitted limited use of the City's E-Mail system to communicate with its members regarding meeting times, and informational items. The Association will designate no more than two individuals who are allowed access to the City's E-mail for such purposes. The City's E-mail system is not to be used to dialogue with employees, to query employees or to illicit responses, which would require use of the City's E-mail by numerous employees in order to respond during work hours. Abuse of the City's E-mail system will result in the revocation of this privilege. In addition, the Association clearly understands and acknowledges that any use of the City's E-mail system is governed by the standards and guidelines outlined in the City's Information Technology Policy. Specifically, the policy places Users on notice that any information created, transmitted, received and stored via the City's Information Technology is not confidential or private and in some instances may be subject to the California Public Records Act.

ARTICLE III – GENERAL

Employees represented by the Association shall not engage in any strikes, sit-downs, slow-downs or work stoppage during the life of the MOU.

The merit system used by the City will not be compromised as a result of the meeting and conferring process.

ARTICLE IV - BENEFITS

<u>Section 1 – Group Health Insurance</u>

Employees are eligible to become members of the City's Healthcare plan on the first day of the month following date of hire. Membership of the employee's dependent(s) may be provided at the option of the employee. Effective beginning July 1, 2016, and each year thereafter for the term of the contract, employees will share the additional cost of any yearly premium increase over 10% in a 50/50 cost sharing arrangement with the City. The increase will be in addition to the 10% pick-up of premiums employees are already paying. As an example, if the 2016 rates increase premiums 12%, the City will pay 11% of the increase and the employees will pick-up an additional 1% through payroll deduction.

During the term of the MOU, the City agrees to continue working with the Insurance Committee, which will include two (2) representatives from the Association, to evaluate annually the medical/dental/vision options available to employees. The Insurance Committee will also meet with the City and the City's health and welfare consultants to consider options for lower cost medical insurance plans for retirees, as long as there is no impact to the current health plans. The Insurance Committee and the City and its consultants will additionally discuss other voluntary plans including but not limited to short term disability supplements, pre-paid legal plans, etc.

The City agrees to provide retired employees and their eligible dependents with the same health insurance through the City's Group Health Insurance Program (the "Program") until the employee is age 65 and qualifies for Medicare. Eligible dependents on the "Program" who turn age 65 before the employee must enroll in Medicare at age 65 and can no longer participate on the City's "Program". Should a retired employee reach age 65 prior to their eligible dependents reaching age 65, the eligible dependents will no longer be permitted to remain on the plan but will become eligible to participate in COBRA. Employees participating on the "Program" will be responsible for the full premium amount plus a 2% administrative fee.

Current employees, who have opted-out of health insurance or may do so in the future, will receive 45% of the premium of the City plan they were in. Current employees must be enrolled in a City health plan for a year before they can opt-out. Employees hired as of January 1, 2012, may opt-out at time of hire and will receive 45% of the City's Kaiser HMO employee only plan premium. In order to opt-out of health insurance, proof of group health coverage is required. If at any time during the term of the MOU, the City is subject to penalties under the ACA, the parties agree to reopen negotiations on that part of the opt-out program which subjects the City to such penalties, for the limited purpose of making changes to ensure that such penalties are avoided.

Section 2 – Nine-Eighty (9/80) Work Schedule

The City and the Association agree to the continuation of the Nine-Eighty (9/80) Work Schedule through the term of this MOU per the NINE EIGHTY (9/80) WORK SCHEDULE POLICY.

While a general Nine-Eighty (9/80) Work Schedule will be continued, all parties recognize that individual Departments may have specific needs that will need to be addressed and accommodated; therefore, there may be some positions that will need to remain on other work schedules e.g. a 40 Hour Per Week Work schedule, etc.

Section 3 – Employee Benefit Allocation Program (EBAP)

- 1. Over the three (3) year term of the MOU, the allocation amount for Supervisory employees will be \$1,300 effective January 1, 2017, January 1, 2018 and January 1, 2019. In order to receive EBAP funds on January 1, employees must be hired no later than December 31 of the previous year. Funds must be used in the calendar year and there will be no rollover of funds from one calendar year to the next.
- 2. Employees will be able to allocate EBAP monies as described in the EBAP form used each year during open enrollment.

<u>Section 4 – Tuition Reimbursement</u>

The City, on a fiscal year basis, will provide a pool of money for Association members to use for tuition reimbursement. Ten thousand dollars (\$10,000) will be provided each year of the current MOU, beginning July 1, 2016. The tuition reimbursement policy outlines the requirements for qualification and utilization. The City's Tuition Reimbursement Program information can be found here. Funds not expended each year will roll over to the next year.

Section 5 – DMV License Renewal

For Public Works Department employees who are renewing or obtaining their initial <u>required</u> Class A or Class B driver's license, the following conditions apply:

- A. The City agrees to arrange for the DMV physical to be performed at City expense by the City's physician.
- B. The City agrees to provide the employee a reasonable amount of time during working hours to attend a pre-scheduled appointment with DMV to take any written or performance tests necessary to retain the Class A or Class B license.
- C. The City agrees to reimburse the employee for the portion of the license renewal fee for a Class A or Class B license over and above the regular (Class C) license renewal fee. A DMV receipt or cancelled check must accompany the reimbursement request.

Section 6 – Uniform Allowance

Certain City employees may be required to wear a particular type of uniform and boots to provide an additional measure of safety while on the job. The cost of leasing and maintaining uniforms will be borne by the City as long as the City requires uniforms to be worn by employees.

Since the cost of providing (leasing) and maintaining (cleaning) uniforms is considered to be a "uniform allowance" as defined by the California Public Employees Retirement System (CalPERS), the cost is also considered by CalPERS to be a form of "compensation." As such, this cost must be reported to CalPERS as part of the employee's annual gross income for purposes of computing the CalPERS contribution. The City agrees to cover the employee's portion of the CalPERS contribution.

As required by CalPERS, the following annual amounts are currently being reported*:

Fleet Maintenance Superintendent \$221.00 Streets/Parks Maintenance Supervisor \$221.00 Traffic Signal/Lighting Supervisor \$436.80

In addition, certain City employees are required to wear boots. Therefore, the City will reimburse employees required to wear boots up to One Hundred Seventy Five Dollars (\$175.00) each fiscal year for the purchase of safety boots and related items i.e. boot laces, boot oil, work socks, etc. The Department will maintain an accounting of the amount utilized by each employee over the fiscal year. To be eligible for reimbursement, original receipts must be provided to the Department as proof of purchase. In order to minimize administrative time required to process reimbursements, employees should accumulate a minimum of Twenty Dollars (\$20) worth of receipts before submitting them. However, if an employee's balance is less than Twenty Dollars (\$20), the employee may submit a reimbursement for the entire remaining balance at any time.

At the employee's discretion, the employee may elect to utilize Department generated "vouchers" to buy safety boots and related items at authorized retailers. If the employee elects to utilize the "voucher" system, original receipts must be submitted to the Department immediately following the purchase. If the "voucher" purchase does not equal the full one Hundred Seventy five Dollar (\$175) allowance, the employee may utilize the balance by following the procedure outlined above.

Safety work boots will cover the ankles to provide ankle support. Boots should be constructed of leather not fabric/material – tennis shoe boots are not appropriate. As indicated below, the classifications of HVAC Technician and Traffic Signal/Electrical Lighting Supervisor are required to wear safety work boots in performance of their daily duties. However, due to safety concerns, these employees may purchase safety work boots without a steel toe, but which offers the same protection.

If an employee leaves the City during the initial twelve (12) month probationary period, the funds expended by the City for safety boots and any unreturned uniforms will be reimbursed by the employee. City uniforms and boots will be worn only while performing City related duties.

Uniforms and/or boots are required for the following Association classifications:

Construction Manager*
Traffic Signal/Lighting Supervisor*
Facilities Maintenance Manager*
Recreation Supervisor I (Park Ranger)
Senior Civil Engineer*
Fleet Maintenance Superintendent
Parks Maintenance Supervisor*
Street Maintenance Supervisor*

(*boots only)

^{*}As costs change, the amount reported to CalPERS will adjust accordingly.

Senior Building Inspector*
Landscape Inspection Supervisor*

Section 6 – Certification Incentive Program

Employees who successfully complete the Certificate program will be reimbursed by the City for the cost of the tuition, books, miscellaneous charges such as health service, ID cards and/or parking fees (when such charges are mandatory), and any applicable testing fees. Receipts may not be turned in to the City for reimbursement until all phases of the certification program have been completed.

If the certification exam is conducted on the employee's regular workday, the employee will be paid for the exam time as well as a reasonable amount of travel time to and from the exam location not to exceed the regular number of hours the employee would have worked on that day.

Certified employees will receive an annual stipend in the amount designated below as an incentive for obtaining the Certificate and for completing the required continuing education hours. The stipend will be issued with the first paycheck of December each year that the certificate is valid. Partial year certifications will be prorated appropriately.

Backflow Testing and Repair \$450
Pest/Weed Control Qualified Applicator Certificate \$400
Pest/Weed Control Qualified Advisor Certificate \$500
Landscape Irrigation Auditor \$500
Playground Safety Inspector \$375
Arborist \$500
Fire Mechanic I \$500
Fire Mechanic II \$750 (not cumulative)
Fire Mechanic III \$1,000 (not cumulative)
QSP or QSD \$500 (not cumulative)
HVAC \$350
Project Management Professional \$500

The City will pay for all expenses (re-testing, continuing education, renewal fees, etc) necessary to maintain the certification. Employees who do not currently possess a certificate shall seek prior approval from Management. The City retains the right to reject Certification Incentive Program Pay based on the needs of the City.

<u>Section 7 – Building & Safety, Inspection, and Planning – Optional Certification Program</u>

Employees who successfully complete the Certificate program will be reimbursed by the City for the cost of the tuition, books, miscellaneous charges such as health service, ID cards and/or parking fees (when such charges are mandatory), and any applicable testing fees. Receipts may not be turned in to the City for reimbursement until all phases of the certification program have been completed. This program is subject to Management approval based on the needs of the City.

If the certification exam is conducted on the employee's regular workday, the employee will be paid for the exam time as well as a reasonable amount of travel time to and from the exam location not to exceed the regular number of hours the employee would have worked on that day.

Certified employees will receive an annual stipend of \$100 for each certificate, up to a total of 5, as an incentive for obtaining Certificates recognized by the International Code Council (ICC), International Conference of Building Officials (ICBO), and Cal Green in his/her field of specialization, and for completing the required continuing education hours. The stipend will be issued with the first paycheck of December each year that the certificate is valid. Partial year certifications will be prorated appropriately.

Section 8 – Notary Public Certificate Program

Employees who successfully obtain the State of California Notary Public Credential shall receive notary pay of \$50 per month and the cost to bond employees so designated. This program is subject to Management approval based on the needs of the City.

Section 9 - Tool Allowance

Employees in the classification of Fleet Maintenance Superintendent are required to use their person job-specific tools while on the job and will qualify for a tool allowance of one hundred dollars (\$100) per month.

Section 10 - Retirement

The City's contract with the California Public Employees Retirement System (CalPERS) for employees hired no later than December 31, 2011, includes the following options: 2.7% at 55 benefit formula (Section 21354.5), Single Highest Year (SHY) (Section 20042), Post-Retirement Survivor Allowance (Sections 21624, 21626 and 21628), Military Service Credit as Public Service (Section 21024) and Credit for Unused Sick Leave (Section 20965) for all miscellaneous employees.

Council Resolution No. 2004-6457 established the Employer Paid Member Contribution Converted to Pay Rate during the Final Compensation Period (EPMC) benefit for all miscellaneous employees. Effective January 1, 2012, employees hired no later than December 31, 2011, will be responsible for cost sharing with the City a portion of the CalPERS contribution. Supervisory employees are responsible for 8%. For the term of this agreement, the City and the Association have agreed to the employee contributions for CalPERS to be apportioned as per Section 13.

All employees hired January 1, 2012, or thereafter, will be placed in the Tier Two CalPERS retirement plan which will be 2% at 55 benefit formula, PRSA, 3 year average final pay. Employees will pay the statutory employee contribution, currently at 7%, and there will be no final-year concession of said payments to compensation for CalPERS benefit calculation purposes ("EPMC").

Employees hired January 1, 2013 or thereafter or those employees hired and considered a "new member" under PEPRA (Tier Three), the City's contract with CalPERS will be for the following benefits: 2% at 62 formula and Average of Highest 36 Months. Employees will pay the statutory employee contribution of one-half of the normal cost associated with the third tier and all payments will be made through payroll deduction. There will be no final-year concession of said payments to compensation for CalPERS benefit calculation purposes ("EPMC").

Employees of the City shall be retired from City service pursuant to and in accordance with the provisions of the Public Employees' Retirement Law. The City Manager, or his/her designee, is authorized to execute all necessary and appropriate documents to accomplish retirement of employees.

Section 11 - Contributions by the City for the Retiree Health Savings (RHS) Program

For those employees who have been employed by the City of San Marcos for twenty-two (22) years or more as of January 1, 2014, the full four percent (4%) RHS salary contribution will apply towards the employees' cost sharing PERS contribution of eight percent (8%). Those employees will pay four percent (4%) from salary on a pre-tax basis and the four percent (4%) RHS salary contribution will instead be paid by the City to CalPERS.

For those employees who have been employed by the City of San Marcos for twenty-one (21) years or less as of January 1, 2014, the City will continue to contribute two percent (2%) of salary into the employees' RHS plan and the remaining two percent (2%) will be applied towards the employees' cost sharing PERS contribution of eight percent (8%). Those employees will pay 6% from salary on a pre-tax basis and the two percent (2%) RHS salary contribution will instead be paid by the City to CalPERS.

Employees hired after July 1, 2016 will not be eligible for this benefit.

<u>Section 12 – Section 125 Flexible Benefit Plan</u>

All employees are eligible to participate in the City's Section 125 Flexible Benefit Plan which is an IRS approved plan enabling employees to pay for certain benefits i.e. contributions to group health insurance premiums, dependent care, and certain eligible medical expenses without being subject to federal income or social security tax on the income used to pay for these benefits. Interested employees should contact the Human Resources/Risk Department to sign up for this benefit.

Section 13 – Group Life and Accidental Death and Dismemberment Insurance Plan

The City provides all employees with Life and Accidental Death and Dismemberment Insurance coverage equivalent to the two times the employee's annual salary. The City pays for the insurance premium.

Section 14 - Short Term and Long Term Disability Plans

All employees are members of the City's Short Term and Long Term Disability Group Insurance Plans and the City will pay for the cost of the plan.

Section 15 – Deferred Compensation

All employees are eligible to participate in deferred compensation plans offered by the International City Managers' Association (ICMA) and/or Voya. Interested employees should contact the Human Resources/Risk Department to sign up for either plan. The parties agree to mutually explore the possibility of having only one deferred compensation plan provider and will meet in a committee setting with other members to discuss. The City agrees that all costs will need to be borne by the provider, no costs are to be incurred by the employees or the City and both the City and the committee will need to agree on the single provider.

<u>Section 16 – Voluntary Life and Accidental Death and Dismemberment Insurance Program</u>

All employees are eligible to participate in the City's voluntary Life and Accidental Death and Dismemberment Insurance Program. Premiums for the voluntary plans are paid by the employee. Employees interested in participating should contact the Human Resources/Risk Department.

<u>Section 17 – Workers' Compensation Insurance</u>

All employees will be covered by Workers' Compensation Insurance. The City will pay for the full cost for such insurance. Any employee shall, upon experiencing a work-related injury/illness, report the incident immediately to his/her immediate supervisor who will report it to the Department Head and the Human Resources/Risk Department. If an employee is disabled by injury/illness on the job and is unable to perform the duties of his/ her position, he/she will be granted a workers' compensation leave of absence. Employee's who are off work due to a work related injury or illness will continue to earn an equivalent of 100% of pay, vacation and sick accruals, any applicable holiday pay, and insurance coverage for up to 6 months in a rolling 12 month period. During the period of disability, the employee will be entitled to weekly benefits in accordance with prevailing California Workers' Compensation law.

Section 18 – Overtime Compensation

Compensation will be made to employees for hours worked in excess of forty (40) hours in a work week (except for exempt employees) through overtime pay at time and one half their regular hourly rate of pay or compensatory time off at time and one half their regular hourly rate of pay. Each employee may accumulate up to eighty (80) hours of compensatory time off. Overtime is payable to the employee in salary or compensatory time off at the discretion of the Department Head with employee wishes given reasonable consideration. Due to the negotiations of the Nine-Eighty (9/80) work schedule, the provisions of this section have been modified as outlined in NINE-EIGHTY (9/80) WORK SCHEDULE POLICY.

An employee will not work during the lunch break or before or after regular hours of work unless prior authorization has been given by the Department Head. During heavy work schedules, emergencies or unforeseeable circumstances, an employee will be given the opportunity for overtime pay provisions if an employee is required to work through the lunch period and is not provided an alternative time prior to working 6 or more hours into the work shift.

If an employee is called to work on a day off, or if an employee is called back after going home, he/she shall receive a minimum of two (2) hours overtime pay or compensatory time off at the above rate.

Any employee who is directed to attend public hearings after normal work hours will receive a minimum of 2 hours overtime credit.

An employee called back for emergency work after normal working hours will be compensated for actual travel time not to exceed 30 minutes to work and 30 minutes from work.

If an employee is required to work on a scheduled holiday, the employee will be paid double time of his or her regular rate of pay plus holiday pay at straight time.

An employee may volunteer to work on a holiday (with their Department Head's permission) and receive vacation at straight time or take another day off.

Section 19 - Hours of Work

Employees will be in attendance at their work in accordance with rules regarding hours of work, holidays, and leaves. The <u>NINE EIGHTY (9/80) WORK SCHEDULE POLICY</u>, outlines specifics relative to hours of work in particular departments due to the Nine-Eighty (9/80) Work Schedule.

All Departments shall keep attendance records of employees, which will be reported to the City Manager in the specified form and on the specified dates. Failure on the part of the employee, absent without approved leave for four (4) hours or more, to return to duty within twenty-four (24) hours, is grounds for discipline. Failure on the part of an employee to return to duty from any authorized leave or to report to duty as scheduled or ordered shall be an unauthorized leave of absence without pay. Failure to return or report to duty within twenty-four (24) hours after notice of return shall be cause for immediate discharge and such employee shall be automatically exempt from all grievance or appeal rights granted by the Rules. Notice shall have been made when the employee receives direct verbal notice to return to work from an authorized employee or when a written notice is personally delivered to the employee or when written notice with returned receipt requested by Certified Mail, addressed to the employee's last known place of address, has been deposited in the United States Mail.

Employees who work four (4) continuous hours will be provided a fifteen (15) minute rest break. The break will be structured so that City business and service will not be disrupted. This break time cannot be accumulated nor can it be combined to shorten the workday or to extend the meal period.

Lunch periods will be no longer than sixty (60) minutes in length. Lunch hours may be flexible insofar as they do not disrupt City business and service to the public, and are approved by the Department Head. City Hall offices responsible for direct public services will remain open during the lunch period.

Arriving late to work or leaving early in connection with scheduled work times, breaks or meal periods is prohibited. An employee is required to seek advance permission from his/her supervisor for any foreseeable absence or deviation from regular working hours.

All employees shall be given two weeks notice of any routine change in their hours or shift schedule.

Section 20 – Jury Duty Pay

An employee summoned to jury duty may be absent from work with full pay if the procedures provided in the City of San Marcos Personnel Rules and Regulations. Any jury fees, excluding mileage and meals, received by the employee will be remitted to the City. However, if the jury duty assignment occurs on a Friday that the City is closed due to the Nine-Eighty (9/80) Work Schedule, jury fees may be retained by the employee for that day only. An employee must notify his/her Department Head immediately upon notification of jury duty and must furnish the City with a copy of the jury duty summons.

<u>Section 21 – Vacation Benefits</u>

1. Accrual Schedule

Each employee will be granted an annual vacation leave accrual in accordance with the following schedule:

Supervisory Employees

One to five years service 80 hours per year. Six to ten years service 120 hours per year. Eleven years service & over 160 hours per year.

Total vacation allowance will be computed to the next whole day based upon the number of full months of City service.

2. Eligibility for Leave

An employee shall be entitled to annual vacation leave, upon prior approval from their Department Head, after six (6) months of service with the City. The City Manager may authorize an employee to take accrued vacation earlier if, in his/her judgment, there are valid reasons to conclude that it is in the best interests of the City and the employee that an exception is granted.

3. Scheduling of Vacation

Department Heads will arrange annual vacation schedules for their employees, subject to the City Manager's approval. All employees shall request time off for vacation at least fifteen (15) days in advance; however, the City Manager may make exceptions. Vacations shall be granted based upon departmental staffing needs.

4. Accumulation

No employee will be allowed to accumulate vacation leave in excess of two (2) full years of his or her particular vacation schedule, except upon written approval of the City Manager. When the employee reaches the maximum accrual he/she shall cease earning vacation leave until the balance falls below the maximum accrual.

5. <u>Vacation Pay at Separation</u>

At the time of separation, all employees will receive a cash payout, taxed as applicable, of all accrued vacation hours at the employee's rate at the time of separation.

Section 22 – Conversion of Vacation to Cash

An employee may be granted vacation pay (at the employee's current hourly rate) in lieu of vacation time off with the approval of the City Manager. In order for a request to be granted, the employee must have utilized at least sixty (60) hours of vacation during the last twelve months and have had a specific vacation request denied by his/her Department Head due to department concerns and/or staffing needs. The number of hours cashed will be deducted from the employee's vacation accrual balance.

Section 23 - Holidays and Illness During Vacation

In the event that one or more approved holiday(s) falls within an annual vacation leave, such holidays will not be charged as vacation leave, and the vacation leave will be extended accordingly.

An illness or injury occurring while on vacation leave may be charged to sick leave, with the approval of the City Manager. Sick leave will not be granted to any employee to permit an extension of the employee's vacation. The employee must submit a doctor's certificate upon return to full duty.

Section 24 - Sick Leave Policy

1. <u>Accrual Schedule</u>

Employees will be granted an annual sick leave accrual in accordance with the following schedule:

Eight (8) hours for each calendar month of service (96 hours annually).

Unused sick leave may be accumulated to a total not to exceed eight hundred (800) hours for Supervisory employees.

2. Appropriate Use

Sick leave will not be considered a privilege which an employee may use at his or her discretion, but will be granted by the City to an employee because of employee illness, injury or disability or to accommodate the employee's attendance at medical, dental and optical appointments to the extent that such appointments cannot be scheduled outside the work day. The City Manager may require, at any time, evidence in the form of a physician's certification, or otherwise (personal affidavit), of the adequacy of the reason for an employee's absence during the time for which sick leave was requested.

Supervisors shall have the discretion to place employees on sick leave when, in the judgment of the supervisor, the presence of the employee at work would endanger the health and welfare of other employees or where the illness or injury of the employee interferes with the performance of such employee's duties.

3. Notification Procedure

In order to be granted sick leave with pay, the following apply:

Public Works employees shall notify the appropriate designated individual or his/her Supervisor or Department Head by leaving a voice mail message prior to the time set for the beginning of his/her daily duties.

All other employees shall notify their Supervisor or Department Head prior to their start time by voice mail or not later than thirty minutes after the time set for the beginning of their daily duties.

Failure to follow the notification procedures outlined without good reason shall result in the day of absence being treated as leave of absence without pay and can lead to disciplinary action.

4. Family Assistance Sick Leave

In accordance with the Family Assistance Law (Labor Code Section 233), when circumstances are such and the City Manager determines that the situation qualifies, an employee may be granted use of up to one half of their annual accrual of sick leave because of illness, or injury of a member of the employee's immediate family requiring the employee's attendance.

An employee may use a maximum of forty-eight (48) hours of sick leave per fiscal year to provide health care for family members.

An employee's immediate family shall consist of the employee's spouse, registered domestic partner, child, parent, grandparent, grandchild or sibling.

For the purposes of Family Assistance Sick Leave, the following definitions apply:

"Child" means a biological, foster or adopted child, a stepchild, a legal ward or a child of a person standing loco parentis.

"Parent" means a biological, foster or adoptive parent, a stepparent, or a legal guardian of the employee.

Use of Family Assistance Sick leave will be subject to the same rules and verification requirements as employee sick leave.

5. Bereavement Leave

When circumstances are such and the City Manager determines that conditions warrant, an absence for the death of a member of the employee's immediate family will be charged to the employee's bereavement leave bank. Supervisory employees may use a maximum of forty (40) hours of bereavement leave per fiscal year. Bereavement leave has no cash value and cannot be rolled over to the next fiscal year. For unusual circumstances that may warrant an employee to need additional bereavement leave above the forty (40) hours awarded each fiscal year, a "Bereavement Leave Board" will be established to determine the approval of such leave on a case-by-case basis. Additional leave hours, if approved, will be paid solely by the City. The Bereavement Leave Board will consist of one member from management, one member from the Association and one member from the City's EAP provider who is jointly agreed to by both the City and the Association.

For purposes of Bereavement Leave only, "immediate family" shall mean spouse, registered domestic partner, child, step-child, parent, step-parent, brother, half-brother, step-brother, sister, half-sister, step-sister, grandparent, step-grandparent, grandchild, and step-grandchild, of the employee, spouse, or registered domestic partner and any other verifiable current member of the employee's immediate household.

6. Penalty for Sick Leave Abuse

When in the judgment of the City Manager, the employee's reason(s) for being absent because of alleged sickness are inadequate; he or she shall indicate on the payroll time sheet

that the absence was leave without pay. Abuse of sick leave will be considered in establishing the employee's performance rating. In addition, the City Manager may impose such disciplinary action as in his or her discretion seems warranted, following procedures set forth in the City of San Marcos Personnel Rules and Regulations.

7. Illness While on Vacation

An illness or injury occurring while on vacation leave may be charged to sick leave with the approval of the City Manager. Sick leave will not be granted to any employee to permit an extension of the employee's vacation. The employee must submit a doctor's certificate upon return to full duty.

8. <u>Holidays During Sick Leave</u>

Observed holidays occurring during sick leave shall not be counted as a day of sick leave used.

9. <u>Conditions Upon Use</u>

Absence for illness may not be charged to vacation in lieu of sick leave if the employee has accumulated sick leave available for use. Nor, may it be charged to sick leave not already accumulated. The employee may, however, with the City Manager's approval use vacation or compensatory time off when their sick leave balance is exhausted. If an employee has no accumulated leave or compensatory time, the employee must take time off without pay.

10. Payment for Unused Sick Leave on Separation

At the time of separation, for those employees age 50 and above, all sick leave will roll over into the employee's RHS account at the employee's hourly rate. For those employees 49 years and younger, all accrued and unused sick leave remaining after the cash down to 300 hours will roll directly into each employee's RHS account at the employee's hourly rate at time of separation.

Section 25 - Incentive Plan for Non-Use (Sick Leave)

Sick leave is not convertible to vacation time or compensatory time off. However, in order to reward those employees who do not abuse sick leave, the City will provide an incentive plan.

a. Employees, who have at least 300 hours of accumulated sick leave, may be reimbursed for any additional leave above 300 hours on the basis of one (1) hour's pay for each one (1) hour of sick leave.

This plan will be voluntary and payment will be paid on the second pay date in November of each year on the sick leave balance existing two pay periods prior to the second pay date in November. If the employee terminates at a time other than the normal disbursement period, the City will reimburse the employee relative to the applicable option as outlined above.

Section 26 - Holidays

All employees on the Nine-Eighty (9/80) work schedule shall receive the following thirteen (13) paid holidays:

New Year's Day Martin Luther King Jr. Birthday President's Day Memorial Day Independence Day Labor Day Veteran's Day
Thanksgiving Day
Day after Thanksgiving
Christmas Day

Three (3) Floating Holidays

When the holiday falls on Saturday, the holiday will be observed on the preceding Friday. When the holiday falls on Sunday, the holiday will be observed on the following Monday. The <u>NINE-EIGHTY (9/80) WORK SCHEDULE POLICY</u>, outlines how floating holidays and holidays that fall on a closed Friday will be accounted for through June 30, 2019.

The three (3) floating holidays are allocated on a fiscal year basis and will be prorated for new employees as follows:

- A. If an employee's effective date of hire is during the first four (4) months of the fiscal year (July October), he or she will receive three (3) floating holiday (27 hours).
- B. If an employee's effective date of hire is during the middle four (4) months of the fiscal year (November February), he or she will receive two (2) floating holidays (18 hours).
- C. If an employee's effective date of hire is during the last four (4) months of the fiscal year (March June), he or she will receive one (1) floating holiday (9 hours).

Floating holiday hours must be utilized prior to the end of each fiscal year (June 30) or the hours will be lost to the employee.

An employee may volunteer to work on a holiday and may do so with the permission of their respective Department Head. No employee will be allowed to work on a holiday unless the employee has been present at work on the day preceding the holiday and following the holiday.

An employee will receive the equivalent straight time on their vacation leave or they may take another day off at straight time at the convenience of the department for which they work.

Any employee who is required to work on a holiday will receive pay at double time plus holiday pay.

Section 27 – Leave With Pay

The City Manager may grant an employee a paid leave of absence up to thirty (30) calendar days within a twelve (12) month period when, in the City Manager's opinion, such leave is warranted and benefits the City. No leave will be granted except upon written request of the employee.

Section 28 – Leave Without Pay

The City Manager, upon positive recommendation from the Department Head, may grant non-probationary employees a leave of absence without pay for up to six (6) months within any twelve (12) month period. Leaves of absence without pay for periods exceeding six (6) months must be submitted to and approved by the City Council, only with positive concurrence by the City Manager and Department Head. No leave will be granted except upon written request of the employee.

An employee shall not be entitled to a leave of absence as a matter of right. Such leaves will normally be granted to permit the employee to engage in activities that will increase the employee's value to the City upon return or because of sickness, injury, or personal hardship. To qualify for leave without pay, the employee must first utilize all accrued vacation, compensatory time and sick leave, if medically based. During the leave without pay period, the employee will not accrue vacation, sick leave, and other benefits.

During the leave of absence, the City will pay for the employee only share of the premium for the City's group health insurance program in effect at the time the leave of absence status is initiated. The employee will be responsible for paying all premiums related to dependent health coverage.

Upon expiration of a regularly approved leave, the employee may be reinstated in the position held at the time leave was granted, with all benefits intact. A Leave of Absence without pay totaling eighty (80) consecutive hours or more will result in an adjustment to the employee's performance evaluation schedule commensurate with the length of the leave period. Failure on the part of the employee on leave to report promptly at its expiration may be cause for discharge.

<u>Section 29 – Mileage Reimbursement</u>

Employees are to use the City pool vehicles when traveling on official City business. If a pool vehicle is not available, an employee, with prior approval from their supervisor, may use their personal vehicle and will be reimbursed for mileage at the official IRS mileage reimbursement amount. The employee's vehicle insurance will be primary if the employee is in an accident while traveling on official City business in their personal vehicle.

ARTICLE V - SALARIES

Section 1 - Salary Philosophy

Effective July 1, 2016, (pay date of July 26, 2016), the City agrees to move the salary structure 2%.

Structure movement percentage (%) increase effective July 1, 2017 and July 1, 2018, will be based on the Bureau of labor statistics Employment Cost Index State and Local Government salaries 12 month not seasonally adjusted December data; and the World at Work average salary structure adjustment Western Region all groups average, but no less than 1.5% as long as fiscally prudent and possible.

Section 2 - Definition of Salary Steps

The salary schedule shall provide ten (10) salary steps of three percent (3%) each for all classes of positions. Merit salary step increases will be earned, will be subject to satisfactory service,

and will not be considered a right of the employee. An employee that has performance criteria marked, as "Needs Improvement" or "Major Improvement Needed" with an overall satisfactory rating may be eligible for a partial merit step increase at the discretion of the City Manager. An employee may be assigned by the City Manager, with the Department Head's recommendation, to the various steps within the range for the classification on the following basis:

- Step 1. Is normally a hiring rate for the class, except where the job candidate has exceptional qualifications that justify appointment at a higher step.
- Step 2. Is a merit advancement which is granted where an employee has completed twelve (12) months of employment with the City in their appointed classification, has improved his/her work as a result of on-the-job experience, and is recommended for a merit step increase by the Department Head through a performance evaluation with at least a satisfactory performance rating which is approved by the City Manager.
- Step 3 10. Merit advancements, which are granted after the second year and continue based on the employee's annual performance evaluation until the employee reaches the top step.

Once a performance evaluation is overdue by thirty (30) days, the employee will automatically get a step increase in the range for their classification if the employee is not at top step or over the range.

Section 3 – Longevity Merit Increases

The one-time longevity stipend will be given at the employee's annual performance evaluation during the year the employee's service to the City reaches 10, 15, 20, 25, and 30 years, in the percentage of annual salary as follows:

10 years	1.5% of Current Step
15 years	2.5% of Current Step
20 years	3.0% of Current Step
25 years	3.5% of Current Step
30 years	4.0% of Current Step

Section 4 – Promotional Salary Increases

When an employee is promoted, he or she will be placed on a salary step of the new salary range, which is a minimum of six (6%) above current salary. However, there will be no salary increase which causes the employee's salary to be above the classification's salary range.

An employee who is promoted will be eligible for a salary step merit increase, on an annual basis, from the date of promotion unless the employee's salary is at top step or above the range.

Section 5 - Timing of Salary Increases and Market Range Adjustments

If the effective date of a merit or market range adjustment falls with the first seven (7) days of the pay period, it will be implemented effective the first day of the pay period. If however the increase falls within the last seven (7) days of the pay period, it will be implemented the first day of the following pay period.

<u>Section 6 – Out-of-Class Compensation</u>

When an employee is temporarily assigned to a higher classification for the convenience of the City for a period equal to or exceeding 110 consecutive hours, he or she shall be paid a minimum of 6% above his/her regular rate of pay or Step 1 of the class into which he/she is working, whichever is higher. To be eligible for out-of-class pay under this provision, approval must be received in advance from both the Department Head and the City Manager. Once approved, out-of-class pay will begin at the first hour of the out-of-class assignment and will continue through the duration of the assignment. Assignments shall not exceed twelve (12) months. No employee will be paid more than the maximum of the range they are temporarily assigned to.

Section 7 - After Hours and Weekend Callback Pay

Employees who have served a seven-day duty period as the "primary contact employee" relative to the City's Voluntary and Mandatory After Hours and Weekend Callback Program shall receive a two hundred and twenty-five (\$225) stipend. Employees who have served as the "secondary contact employee" in the voluntary program shall receive a one hundred and twenty-five (\$125) stipend.

Section 8 – Bilingual Pay

Bilingual Pay, which is provided to bargaining unit employees who are required to use their bilingual skills in the performance of their duties, is \$150 per month. In order to be eligible, employees must successfully complete a bilingual performance examination.

Section 9 - Pay Periods

The pay period for all employees will be bi-weekly (beginning four hours into the working Friday and ending the following Friday) and contains ten (10) working days. Paychecks will be distributed bi-weekly on Tuesday.

When the regular payday falls on a holiday, paychecks will be distributed on the workday immediately proceeding such holiday.

Section 10 – Special Pay Requests

Except for employees being terminated, salaries will be paid <u>only</u> on regular paydays, unless an emergency pay request has been made by the employee and approved by the City Manager.

Section 11 – Voluntary Time Off (VTO) Without Pay Program

In addition, the Voluntary Time Off (VTO) Without Pay Program will be continued through the term of this MOU.

It is agreed that relative to the Voluntary Time Off (VTO) Without Pay Program:

- A. An employee may elect, on a voluntary basis, to take off up to a maximum of sixty (60) VTO hours without pay per fiscal year.
- B. Granting of VTO is at the Department Head's discretion based upon departmental staffing needs.
- C. Employees will record the VTO separately on their payroll records using the appropriate code.
- D. Employees' benefits will not be impacted except those based on the employee's hourly rate. For example, contributions for retirement, social security, life insurance, STD, LTD, etc. will continue to be paid on the employee's actual gross salary which will decrease due to the VTO; the City will continue to pay the agreed upon contributions for the City's health insurance premium for both the "Employee Only" and "Dependent" coverage; sick leave and vacation accruals, holidays, and number of floating holidays will continue to be earned while the employee is on VTO per the negotiated MOU and the City of San Marcos Personnel Rules and Regulations.

ARTICLE VI - DISCIPLINARY ACTION

The following procedures are designed to ensure that all employees are treated fairly when subjected to discipline, and that a formal procedure of due process is followed:

Disciplinary actions may range from informal conversations to formal discharge. An effective, reasonable system of disciplinary action is founded on the premise that the actions are to be corrective rather than punitive; the actions are progressively more severe; and the actions fit the nature of the problem. The City Manager reserves the right to administer most severe discipline when necessary due to the nature of the cause for discipline.

Employees who have completed the initial probationary period will be afforded a Skelly Procedure in order to guarantee the protection of due process. For any <u>CLASS A</u> actions which include non-emergency disciplinary dismissals, demotions, reductions in pay and suspensions without pay for five (5) days or more, employees will be afforded the protection of a pre-discipline procedure. For any <u>CLASS B</u> actions, which include non-emergency disciplinary suspensions of less than five (5) days, and any <u>CLASS C</u> actions, which include emergency disciplinary actions, the action may be immediately implemented with the Skelly Procedure promptly following. Employees receiving written reprimands will not be afforded the protection of a Skelly procedure. However, written reprimands are appealable to the Department Head. The Department Head's decision is final.

Section 1 - Class A Disciplinary Action Procedure

The following procedures are designed to ensure that all employees are treated fairly when subjected to <u>CLASS A</u> discipline, and, in the case of non-emergency dismissal, demotions, reductions in pay or suspensions without pay of five (5) days or more, that a formal pre-disciplinary procedure of due process is followed. The following procedures will only be required for employees who have completed their probationary period.

A. Pre-Notice of Proposed Action. The employee receiving pre-disciplinary written notification from the Department Head stating:

- (1) The proposed action.
- (2) The effective date.
- (3) Reasons for the proposed action including a brief description of the relevant facts.
- (4) The notice shall include those documents and written materials compiled to support the proposed action.
- (5) The notice shall inform the employee of the right to respond, orally or in writing, within five (5) working days.
- (6) The notice will be given by registered mail if the employee is unavailable at work.
- (7) When the Department Head and employee are able to discuss the notice, the employee shall acknowledge by signature on the notice that they understand the notice and their right to respond.
- B. Employee's Right to Respond. Within five (5) working days after receipt of the notice, the employee may request a Skelly meeting with the Department Head to respond to the charges. The employee may utilize this opportunity to present his or her side in response to the charges. This need not be an evidentiary review.
- C. Upon response from the employee (or after the five (5) day deadline), the Department Head will either,
 - (1) Withdraw the proposed disciplinary action,
 - (2) Administer a modified disciplinary action,
 - (3) Administer the proposed disciplinary action.
- D. Implementation of the Disciplinary Action. If discipline is warranted, the employee shall receive written notice of such, including the effective date. The employee will be advised of the right to review or appeal. The written notice will be given by registered mail if the employee is unavailable at work.
- E. Post Disciplinary Procedure. All employees who have completed their probation may appeal any <u>CLASS A</u> personnel action relative to any disciplinary action, layoff, or alleged violation of the personnel rules to the City Manager.

If the employee appeals a disciplinary action, the appeal must be presented in writing to the City Manager within ten (10) working days. The review will be conducted by the City Manager, or his or her representative, other than the authority initiating the disputed <u>CLASS A</u> disciplinary action. The review will be evidentiary in nature, whereby each side presents evidence. The hearing need not be conducted according to the formal rules of evidence and the hearing officer may rely upon any evidence, which may be relied upon by reasonable people in the conduct or ordinary affairs.

The review will occur within ten (10) working days after receipt of the appeal request unless an extension of time is agreed to by the parties. The City Manager shall render a decision not later than three (3) working days after the review. The decision of the City Manager is final. The personnel action will not be deferred while awaiting the final action on the appeal.

<u>Section 2 – Class B Disciplinary Action Procedure</u>

The following procedures are designed to ensure that all employees are treated fairly when subjected to <u>CLASS B</u> non-emergency disciplinary suspensions of less than five (5) days. While such action may be immediately implemented without pre-disciplinary notice and hearing, the employee will be provided the Skelly Procedure promptly after the implementation of discipline. The following procedures will only be required for employees who have completed their probationary period.

- A. Notice of Action. The employee will receive written notification of the disciplinary action taken from the Department Head stating:
 - (1) The action.
 - (2) The effective date.
 - (3) Reasons for the action including a brief description of the relevant facts.
 - (4) The notification shall include those documents and written materials compiled to support the action.
 - (5) The notification shall inform the employee of the right to respond, orally and in writing, within five (5) working days.
 - (6) The notice will be given by registered mail if the employee is unavailable at work.
 - (7) When the Department Head and employee are able to discuss the notification, the employee shall acknowledge by signature on the notification that they understand the notice and their right to respond to the notice.
- B. Employee's Right to Respond. Within five (5) working days after the implementation of discipline, the employee may request a Skelly meeting with the Department Head to respond to the charges. The employee may utilize this opportunity to present his or her side in response to the charges. This need not be an evidentiary review.
- C. Upon response from the employee, the Department Head will either,
 - (1) Withdraw the proposed disciplinary action,
 - (2) Administer a modified disciplinary action,
 - (3) Maintain the disciplinary action.

The decision of the Department Head is final.

Section 3 – Class C Disciplinary Action Procedure

In circumstances whereby an employee's behavior presents a danger to the safety or welfare of the employee, fellow workers, or the public, or is an aggravated breach of these regulations, the employee may be immediately suspended for just cause. The following procedures are designed to ensure that all employees are treated fairly when subject to <u>CLASS C</u> emergency disciplinary actions. The following procedures will only be required for employees who have completed their probationary period.

- A. Notice on cause of action. The employee shall receive written notification within twenty-four (24) hours from the initiation of the suspension stating reasons for the suspension, which shall include a brief description of the relevant facts and those documents and written materials compiled to support the proposed action.
- B. The notice shall inform the employee of his or her right to respond orally or in writing within five (5) working days.
- C. Upon response from the employee, or after the five (5) day deadline, the City Manager will either withdraw, modify or administer the disciplinary action. If an employee has been placed on suspended status without pay and the City Manager withdraws or modifies the disciplinary action, the employee shall receive his or her regular rate of pay for the time he or she was on suspended status. If the City Manager withdraws the disciplinary action, no record of the employee's suspended status will be maintained. The decision of the City Manager is final.

ARTICLE VII – GRIEVANCE

A grievance shall be considered as the complaint of an employee or group of employees arising out of the application or interpretation of existing rules, regulations, policies or practices.

Section 1 – Purpose

To afford employees as individuals or through a representative a systematic means of obtaining further consideration of problems after every reasonable effort has failed to resolve them through discussion.

To resolve grievances as near as practicable to the point of origin.

Section 2 - Scope

For the purpose of this procedure, grievances shall be considered reviewable or non-reviewable.

A. Reviewable Grievance – To be reviewable under this procedure a grievance shall be considered as a matter for which appeal is not elsewhere provided concerning the interpretation or application of this agreement or a decision or omission affecting working conditions over which the Department Head has control.

Elements of a reviewable grievance shall be stated on a Grievance Form as follows:

- (1) Facts surrounding specific incident; and
- (2) Specific act or omission by management regarding working conditions or other aspects of employer-employee relations over which the Department Head has control; and
- (3) Specify inequity or damage suffered by employee as a result of (1) and (2) above; and
- (4) Specific relief sought by the employee, which must be within the power of the Department Head to grant.
- B. Non-Reviewable Grievance A grievance is not reviewable if it is a matter:
 - (1) Subject to items affecting wages, hours and conditions of employment specifically reserved as City management rights.
 - (2) Reviewable under any other administrative procedure. For example, applications for changes in job titles, job classification or salary increase; appeals from formal disciplinary proceedings; and appeals that have affirmative action or civil rights remedies.
 - (3) Where processing of the grievance would require the modification of a policy as established by City Council or by law in the form of an ordinance or resolution.

Section 3 - Procedure

The time limits specified in the following procedure may be extended at any level of review to a definite date by mutual agreement of the employee and the reviewer concerned.

Failure of the employee to take action within the specified time limits at each level of review shall constitute withdrawal of the grievance.

A. Informal Grievance

(1) An employee who has a problem or complaint shall first try to resolve the matter through discussion with their immediate supervisor or Department Head within ten (10) calendar days after the specific incident. Every effort should be made to find an acceptable solution by informal means at the Department Head level. If the employee is not in agreement with the decision reached by discussion, a formal grievance must be submitted in writing, using the grievance form, within five (5) calendar days after receiving the informal decision.

B. <u>Formal Grievance</u>

(1) Departmental Review: A grievance shall be presented in writing to the Department Head, who shall render a decision and comments in writing, and return them to the employee within five (5) calendar days after receiving the grievance. If the employee does not agree with the Department Head, or if no answer has been received within five (5) calendar days, the employee may present the appeal in writing to the City Manager within five (5) additional calendar days. (Amended 7/93)

(2) City Manager Review: If the grievance has not been settled at the departmental level, pursuant to step #1, and the employee has presented a timely appeal, the City Manager or his or her representative shall within fifteen (15) working days, investigate the grievance and submit a written decision to the employee. The decision of the City Manager shall be final.

ARTICLE VIII - LABOR-MANAGEMENT COMMITTEE

A Labor-Management Committee will meet on a minimum of a quarterly basis for the basic purpose of discussing issues of common interest, solve mutual problems in a constructive fashion and discuss employment related issues of common concern. The Committee will consist of the City Manager (or his/her designee), the Director of Human Resources/Risk, the Association President and two (2) Association Representatives. Meetings will be informal and will be scheduled at times that do not interfere with the business of the City.

ARTICLE IX - SAVINGS CLAUSE

The resolution of the City of San Marcos shall provide that if any provision of this MOU or resolution is at any time or in any way held to be contrary to any law by any court of proper jurisdiction, the remainder of the MOU shall not be affected and shall remain in full force and effect.

<u>ARTICLE X – CONTINUATION</u>

Except as set forth in this MOU, all existing ordinances, resolutions and policies of the City pertaining to the employment relationship shall remain in full force and effect.

ARTICLE XI – TERM

The terms of the Memorandum of Understanding shall be effective July 1, 2016 and shall continue in effect through June 30, 2019. Negotiations for succeeding terms may begin no later than 90 days before expiration of this MOU, provided notice of intent to negotiate a new MOU is presented to the City of San Marcos prior to that date.

ARTICLE XII – SUBCONTRACTING AND TEMPORARY EMPLOYEES

While the City retains its right to contract for services and utilize temporary employees as deemed necessary by the City Manager, the City will agree during periods of layoff to provide thirty (30) working days notice to the employee Association of the City's intent to contract out work previously done by bargaining unit employees that are currently in layoff status or for work currently being done by bargaining unit employees who will be laid off as a result of the hiring of contract or temporary employees.

SAN MARCOS SUPERVISORS' ASSOCIATION

CITY OF SAN MARCOS

Ву:	By:
Dylan de Bie	Jack Griffin
Association Representative	City Manager
By: Jennifer Overman	By:
Jennifer Overman	Michelle Miller
Association Representative	Human Resources/Risk Director
Ву:	By:
James Daza	Janelle Frickey
Association Representative	Senior Human Resources/Risk Analyst
Ву:	By:
Elias Gallegos	Laura Rocha
Association Representative	Finance Director
	By:
	Matthew Little
	Development Services Director