

**SBRPCA**

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**Contract**

**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN**  
**SOUTH BAY REGIONAL**  
**PUBLIC COMMUNICATIONS AUTHORITY**  
**AND MANAGEMENT AND CONFIDENTIAL EMPLOYEES**

**JULY 1, 2019 through JUNE 30, 2022**

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## **PREAMBLE**

THIS AGREEMENT is made and entered into by and between the SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY ("Authority") and MANAGEMENT AND CONFIDENTIAL EMPLOYEES ("Employees") employed under the following job classifications:

Accountant  
Administrative Services Manager  
Executive Assistant  
Finance & Performance Audit Manager  
Operations Manager

It is binding upon Authority only upon approval of the Executive Committee and shall apply from July 1, 2019 through June 30, 2022.

## **ARTICLE 1 -- CONCLUSIVENESS OF AGREEMENT**

**Section 1.1 -- Agreement Conclusive.** This Agreement contains all of the promises and agreements of the parties. Therefore, for the life of this Agreement neither party shall be compelled to bargain with the other concerning any mandatory bargaining issue whether that issue was raised at a meet and confer session preceding this Agreement or not, unless the parties agree to bargain about it. There are three sub-groups of employees, which are defined as: Group A employees are employees with a hire date prior to October 25, 2011; Group B employees with a hire date after October 25, 2011; Group C employees with a hire date on or after July 1, 2019.

## **ARTICLE 2 -- MANAGEMENT RIGHTS**

**Section 2.1 -- Management Rights.** Authority retains all rights not specifically delegated by this Agreement, including but not limited to the exclusive right to determine the mission of its constituent sections; set employment and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; contract out work; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work. The determination of whether or not an emergency exists is solely within the discretion of Authority and is expressly excluded from the grievance procedure.

### **ARTICLE 3 -- NO STRIKE, NO LOCKOUT**

**Section 3.1 -- Work Interruption.** During the life of this Agreement, Employees will not cause, authorize, advise or encourage any interruption of work or any other concerted action. The term "interruption of work" shall include any work stoppage or strike (including economic and unfair labor practices) or any picketing or boycott activities by employees, and refusal to work on and handle equipment or produce any materials or services because of a labor dispute.

**Section 3.2 -- Lockout.** Authority will not lock out any employee.

**Section 3.3 -- Discipline.** Any employee engaging in any action prohibited by this article shall be subject to immediate discharge or such other discipline as Authority may assess. Such discharge or discipline shall not be reviewable through any grievance procedure.

### **ARTICLE 4 -- SAVINGS PROVISION**

**Section 4.1 -- Separability.** Should any provision of this Agreement be declared illegal or invalid by decision of a Court of Law or any administrative agency, all other provisions of this Agreement shall nevertheless remain valid, subsisting, and in full force and effect. In the event of any such invalidation, the parties agree to meet and to attempt to negotiate substitute provisions for the provisions declared illegal or invalid.

### **ARTICLE 5 -- HARASSMENT AND DISCRIMINATION**

**Section 5.1 -- No Discrimination.** Employees and Authority agree not to discriminate against any employee or applicant because of age, sex, gender, gender identity, gender expression, race, national origin, sexual orientation, disability, medical condition, genetic information, marital status, military or veteran status, and/or religion.

**Article 5.2 -- No Harassment.** Authority expects and requires all employees to treat one another with dignity and respect. The Authority has zero tolerance of harassment of fellow employees regardless of whether or not the conduct rises to the level of a violation of law. No employment decision may be made based upon an employee's submission to or rejection of such conduct. Any employee who believes that he or she is the victim of such harassment, based on any protected classification, including but not limited to sexual, racial, ethnic or religious, is required to immediately report the conduct to a supervisor, manager or Executive Director. Any employee who engages in such conduct is subject to disciplinary action, up to and including immediate discharge.

### **ARTICLE 6 -- ATTENDANCE AND LEAVES**

**Section 6.1 -- Bereavement Leave (Death in Immediate Family).** In the event of death of a member of the employee's immediate family, bereavement leave may be granted to such employee, with the approval of the Executive Director. Such leave will be compensated for at the base rate of pay.

Immediate family is construed to mean the father, mother, husband, wife, brother, sister, child, step-child, mother-in-law, father-in-law, legal guardian, foster child or foster parent, or any of either of them. Grandparent or grandchild is also considered immediate family. A maximum of three days

may be granted for such leave. Absence under this section is not chargeable to sick leave.

Section 6.2 -- Compensatory Time Off. Compensatory time off may be granted by the Executive Director as an alternate method of compensation for overtime work for FLSA non-exempt employees. The rate of compensatory time shall be as required by law. No employee shall accrue more than one hundred sixty (160) hours of such compensatory time. Should any employee exceed one hundred sixty (160) hours of accrued compensatory time, she/she shall receive pay in lieu thereof.

Section 6.3 -- Holidays.

(a) Offices Closed. Authority administrative offices shall be closed on the following 11 holidays: New Year's Day; Martin Luther King, Jr. Day; President's Day; Memorial Day; Independence Day; Labor Day; Veteran's Day; Thanksgiving Day; day after Thanksgiving; Christmas Eve; and Christmas Day. If one of the holidays falls upon a Sunday, the Monday following shall be observed as the holiday. If one of the holidays falls on a Saturday, the Friday preceding shall be observed as the holiday.

If a holiday falls on a day which is an off day for employees working the 9/80 or 4/10 work schedules, the employee shall receive a floating holiday in lieu of the holiday. Floating holidays may be taken at each employee's discretion, subject to approval of the Executive Director. Generally, these floating holidays may be used after the holiday has occurred unless the employee requests to use the floating day contiguous to the actual holiday. If an employee does not use his/her floating holidays earned within the calendar year in which the employee has received it, he/she will not earn an additional floating holiday in the next calendar year (with the exception of those floating holidays which are earned in November or December, in which case the employee will be able to use the floating holiday from that year for the first two months of the following year).

Section 6.4 -- Hours of Work. All administrative offices of Authority shall be kept open for business on all days of the year, except Saturdays, Sundays and designated holidays, from 8:00 A.M. to 5:00 P.M. Employees shall be required to work a minimum of eight hours per day, but may work "4/10" or "9/80" plans according to schedules approved by the Executive Director.

(a) Work Week. A work week is a period of seven consecutive days, beginning at 12:00 Midnight on Friday and ending at 12:00 Midnight on the following Friday.

(b) Work Day. A work day is a period of twenty-four hours beginning at 12:00 Midnight and ending at 12:00 Midnight on the following day.

Section 6.5 -- Injury Leave. Each employee, regardless of category of employment, is authorized injury leave when the employee suffers an illness or injury while on duty or arising in and out of the course of employment. In such cases, the employee is eligible to receive compensation as provided for in the State Workers' Compensation Act. At no time may an employee use accumulated sick leave for an injury or illness which is compensable under the provisions of the Workers' Compensation Act of the State of California.

**Section 6.6 – Jury Duty Leave.** Any full-time employee of the Authority who is duly summoned for jury duty during the time regularly required for the employee's office or employment, and who submits a copy of the jury duty summons to the Authority, shall be entitled, while actually serving, to the employee's regular base salary up to a maximum of fifteen (15) calendar days, provided the employee deposits with the Authority all fees received for service. No overtime payment to the affected juror shall result from jury duty. Court-paid mileage fees may be retained by the individual. If an employee, while serving on jury duty, is temporarily released from actual service for twenty-five percent (25%) of their scheduled day or more, said employee shall report to the Authority for work during such period of temporary release. Employee will not be compensated for jury service on the employee's regularly scheduled day off.

**Section 6.7 – Unpaid Leaves of Absence.** An unpaid, non-medical leave of absence not to exceed 90 calendar days may be requested by an employee. Decisions whether to grant such a leave will be made by the Executive Director in his/her discretion and based on operational needs of the Authority. The decision of the Executive Director is final.

The maximum length of an unpaid leave of absence shall be based on the employee's length of continuous service with the Authority.

|                                     |                          |
|-------------------------------------|--------------------------|
| Less than one year                  | 10 calendar days maximum |
| One year to less than three years   | 30 calendar days maximum |
| Three years to less than five years | 60 calendar days maximum |
| Five years or more                  | 90 calendar days maximum |

#### **Request Procedures**

Only one unpaid, non-medical leave of absence may be granted to an employee in a calendar year. Except in case of emergency, a written and fully documented request for leave of absence should be received by the Executive Director at least 30 calendar days prior to the effective date of the leave. In all cases, employee must exhaust all appropriate accrued leave balances before requesting an unpaid leave of absence. Unpaid leaves of absence are not to be used to circumvent the vacation and holiday scheduling process.

Upon receipt of a request for an unpaid leave of absence, the Executive Director will either approve or deny the request and notify the employee of this determination in writing. This notice will also include the start and end dates of the unpaid leave of absence and the date which the employee is expected to return to work.

#### **Benefits**

Sick leave, holidays and vacation leave do not accrue during an unpaid leave of absence. Seniority, time in service, performance evaluation scheduling, and eligibility for merit increases are affected by an unpaid leave of absence. Authority shall pay its portion of medical, dental, life insurance, and vision plan premiums for a period not to exceed 30 days after the beginning of the unpaid leave of absence. General wage increases granted to other employees during the unpaid leave of absence will not be implemented until the employee actually returns to work.

#### **Extension of Leave**

Employees may request extension of their unpaid leave of absence, provided that the extension does not result in the leave exceeding the maximum time allowed for their years of service. Such

requests should be in writing and received by the Executive Director at least two weeks in advance of the expiration of the unpaid leave of absence. Extension of the unpaid leave of absence must be approved by the Executive Director. The decision of the Executive Director is final.

#### Cancellation of Leave

An employee may request cancellation of an approved unpaid leave of absence at any time before or during said leave by submitting a written request explaining the reason for cancellation.

#### Violating Leave of Absence

The following constitute violations of the spirit and intent of granting an unpaid leave of absence, and shall result in automatic resignation by the employee or termination of the employee.

- (a) Employees who engage in or apply for other employment while on an unpaid leave of absence will be considered as having resigned without notice. No termination benefits will be paid by Authority.
- (b) Employees who fail to return from an unpaid leave of absence on the prescribed day, and have not obtained an extension, will be considered as having resigned without notice. No termination benefits will be paid by Authority.
- (c) Employees who obtain an approved leave of absence through fraud or misrepresentation shall be subject to discharge.

#### Section 6.8 – Maternity Leave.

No less than all provisions provided for by California State and/or Federal law shall be granted to full-time employees.

Section 6.9 – Military Leave. Military leave shall be granted to full-time employees in accordance with the provisions of California State and/or Federal law. All full-time employees entitled to military leave shall give the Executive Director an opportunity, within the limits of military regulations, to determine when such leave shall be taken.

Section 6.10 – Sick Leave. Each full-time employee is eligible for paid sick leave upon completion of three months of continuous service. Accrual of this leave begins with the first day of the first pay period after day of hire. Accrual for Group A and B employees is at the rate of ten hours per month; accrual for Group C employees is at the rate of eight (8) hours per month; subject to the provisions below, Group C employees who accrue sick leave each pay period shall accrue 4 hours of sick leave per pay period (except on the third payroll). An eligible employee may accrue a maximum of 500 hours of paid sick leave.

- (a) General Sick Leave Policy. Sick leave is not a discretionary privilege, but is allowed only in case of necessity and actual sickness. Up to 50% of the annual accrual, may, however, be used for family illnesses requiring the physical presence of the employee (for purposes of this section, family is defined as a spouse, parents and/or children residing in the household), or for routine doctor, visual care, and dental appointments with advance supervisor's approval. All sick leave must be approved by the employee's supervisor, who will verify eligibility and leave balance with the Personnel Office.



No employee will accrue sick leave unless at least six days are worked during each payroll period. Approved paid sick leave, paid vacation leave, paid bereavement leave, temporary military leave of absence or absence due to work connected disability shall be considered to be time worked under this section. When an employee has used all accumulated sick leave, further absence shall be charged to any and all accrued vacation leave and compensatory time. Employees receiving state disability payments will not be required to exhaust vacation leave and compensatory time while on disability.

(b) Conditions for Eligibility for Sick Leave Compensation. To receive paid sick leave, the employee must meet the following conditions:

(1) When the employee is absent for three or more consecutive working days, a doctor's certification of illness will be furnished upon return to work. A supervisor may require an employee to furnish a doctor's certificate for lesser absences to establish proof of illness. Submittal shall be made upon return to work.

(2) Employees returning from an absence due to illness or disability may be required to be examined by Authority's physician at Authority expense.

(3) At no time will sick leave be authorized for injuries compensable under Worker's Compensation Insurance.

(c) Ineligible Employee. If an employee calls in sick and is deemed ineligible to receive sick leave compensation, he or she may be subject to progressive discipline and/or the hours unworked may be recorded as leave without pay.

(d) Checking Validity of Employee's Illness. The Authority reserves the right to periodically check the validity of an employee's illness or a family member's illness through telephone or personal contact when the Authority has reasonable suspicion that the employee is feigning illness of himself/herself or the family member.

(e) Sick Leave a Privilege. The employee, the bargaining unit, and the Authority recognize that sick leave is a privilege granted to the employee, should be viewed by the employee as insurance, and is not to be considered a means of additional compensation or extra vacation.

Section 6.11 -- Vacation Leave. Each full-time employee is eligible for paid vacation leave upon completion of six months of continuous service. Accrual of this leave begins with the first day of the first pay period after day of hire. Upon employment termination, vacation leave is computed up to and including the last day worked. For Group A and B employees, vacation leave shall be earned in accordance with the following schedule:

| <u>Completed Years<br/>of Service</u> | <u>Work Hours<br/>Per Month</u> | <u>Work Hours<br/>Per Year</u> | <u>Maximum<br/>Accumulation</u> |
|---------------------------------------|---------------------------------|--------------------------------|---------------------------------|
| Less than 5                           | 8                               | 96                             | 120                             |
| 5 through 9                           | 12                              | 144                            | 240                             |
| 10 or more                            | 16                              | 192                            | 336                             |

For Group C employees, vacation leave shall be earned in accordance with the following schedule:

| <u>Completed Years<br/>of Service</u> | <u>Work Hours<br/>Per Month</u> | <u>Work Hours<br/>Per Year</u> | <u>Maximum<br/>Accumulation</u> |
|---------------------------------------|---------------------------------|--------------------------------|---------------------------------|
| Less than 5                           | 6.67                            | 80                             | 120                             |
| 5 through 9                           | 10.00                           | 120                            | 240                             |
| 10 or more                            | 13.33                           | 160                            | 336                             |

The Vacation Year shall be the calendar year. All accumulation limits shown above are the maximum an employee will be allowed to accumulate as of December 31 of each year, with no limit on accumulation between January 1 and December 31. If requirements of the service necessitate cancellation of scheduled vacation leave and it cannot be rescheduled and used before the end of the calendar year, a maximum of 20 hours in addition to the accrual limit may be carried over for use not later than February 1 of the following calendar year.

Use of vacation leave shall be approved by the Executive Director, noting the needs of the Authority and the necessity of having employees available for the effective functioning of the Authority.

No employees will accrue vacation leave unless at least six days are worked during each payroll period. Approved paid sick leave, paid vacation leave, paid bereavement leave, temporary military leave for active duty, or absence due to work-connected disability, shall be considered to be time worked under this section.

**Section 6.12 – Administrative Leave.** Administrative Leave shall be granted to FLSA exempt employees in recognition of work performed above normal work hours and the nature of the work performance and expectations placed upon employees.

Use of Administrative Leave shall be approved by the Executive Director, noting the needs of the Authority and the necessity of having employees available for the effective functioning of the Authority.

Each FLSA exempt employee is eligible for Administrative Leave upon completion of twelve months in a management position. An award of 48 hours each calendar year will be provided to each FLSA exempt employee and may be used at the employee's discretion, subject to the approval of the Executive Director. Upon termination, employees will be paid for unused, accrued Administrative Leave.

Administrative Leave as provided herein is non-cumulative between calendar years. If, at the end of the year an employee has not exhausted all of his/her Administrative Leave, for the following calendar year he/she will only accrue that amount of Administrative Leave which (when added to the carried over Administrative Leave from the prior calendar year) will result in the employee accruing a total of 48 hours of Administrative Leave.

## **ARTICLE 7 -- SPECIAL PAY**

**Section 7.1 -- Acting Pay.** Employees assigned by the Executive Director to a higher position in an acting status during the absence of an incumbent or to fill a vacancy until the vacancy can be filled by appointment shall receive an additional rate of 10% above their regular base salary.

Eligibility for compensation shall begin only when the incumbent of the higher position certifies the ability of the employee to fill the higher position.

**Section 7.2 -- Payment for Unused Sick Leave (Optional).** Each full-time employee may voluntarily convert, for cash, a limited number of hours of sick leave twice each year; the last pay period in May and the last pay period in October. Leave balances will be determined as of the end of the pay period immediately preceding the last pay periods in October and May. The dollar value of the hours converted will be determined by the completed years of service shown below. Payment will be calculated as a percentage of the employee's base rate of pay; a separate check may be issued for this amount.

| <u>Completed Years<br/>of Service</u> | <u>Maximum Hours That<br/>May be Converted</u> | <u>Conversion<br/>Rate</u> |
|---------------------------------------|--|----------------------------|
| Less than 2                           | 100  | 100% of base rate of pay   |
| 2 or more                             | 120  | 100% of base rate of pay   |

**Section 7.3 -- Payment for Unused Vacation Leave (Optional).** Each full-time employee may voluntarily convert, for cash, a limited number of hours of vacation leave twice each year; the last pay period in May and the last pay period in October. Leave balances will be determined as of the end of the pay period immediately preceding the last pay periods in October and May. The dollar value of the hours converted will be determined by the completed years of service as shown below. Payment will be calculated as a percentage of the employee's base rate of pay; a separate check may be issued for this amount.

| <u>Completed Years<br/>of Service</u> | <u>Maximum Hours That<br/>May be Converted</u> | <u>Conversion<br/>Rate</u> |
|---------------------------------------|--|----------------------------|
| Less than 2                           | 60   | 100% of base rate of pay   |
| 2 or more                             | 100  | 100% of base rate of pay   |

**Section 7.4 -- Court Pay.** Payment shall be made to any Authority employee who, when in an off-duty status, is required by a subpoena of an officer of the Court, or competent authority, to appear in court and/or provide testimony in matters on behalf of the Authority or its member agencies that relate to performance of duties as an Authority employee at the prescribed overtime or compensatory time rate for all hours such employee must remain at the Court. Employees who receive Court pay shall retain any witness fees they receive as a result of the subpoena. Court-paid mileage fees may be retained by the individual.

**Section 7.5 -- Overtime Work.** Overtime work is work performed by FLSA non-exempt employees at times other than those normally required for the employee's employment, that is, more than 40 hours per work period. Any other provision of this agreement, notwithstanding any dispute or

question of fact as to what time or times are normally required for the employment of any person, shall be decided by the Executive Director. The decision of the Executive Director shall be final.

In case of emergency, or whenever the public interest or necessity requires, the Executive Director may require any employee to perform overtime work. No employee shall be required to perform overtime work, except in accordance with approved policies and upon the approval of the Executive Director. Overtime shall not be paid in those cases where an employee is called back from paid leave. In this case, the employee shall be deemed to have returned to regular work status, be paid regular salary, and not be charged for paid leave for those hours actually worked.

Section 7.6 – Retirement. Authority has a contract with the California Public Employees' Retirement System (CalPERS) for coverage under the basic plan for non-safety employees without modifications. All full-time employees who work more than half time (more than an average of eighty-seven (87) hours per month or more than a total of five hundred twenty-two [522] hours in a six [6] month period) or who have qualified for retirement coverage under CalPERS by virtue of previous employment with Authority or elsewhere, are required to participate in this system. For employees hired prior to October 25, 2011, the Authority shall provide a CalPERS contract of two percent (2%) at fifty-five (55) based on the employee's single highest year.

(a) Effective July 1, 2014, Group A employees (with a hire date prior to October 25, 2011), will contribute one quarter of the employees' contribution CalPERS rate or one and three quarters percent (1.75%) of their salary, including all special pays and on July 1, 2015 will contribute an additional one quarter of the employee's contribution CalPERS rate or one and three quarters percent (1.75%) of their salary, including all special pays for a total of three and one half percent (3.5 %).

(b) For Group B employees (with a hire date after October 25, 2011), the Authority shall provide a CalPERS contract of two percent (2%) at sixty (60), based on the employees' three (3) highest consecutive years. These employees will also contribute the full seven percent (7%) of their salary, including special pays, toward the employee's contribution.

(c) For all "new members" beginning January 1, 2013, the retirement benefit formula is 2% at 62. A "new member" is defined as follows: A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013 and who has no prior membership in any California public retirement system; A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013 and who is not eligible for reciprocity with another California public retirement system; and A member who first established CalPERS membership prior to January 1, 2013, and who is rehired by a different CalPERS employer after a break in service of greater than six months. These employees will contribute 50% of normal cost as determined by CalPERS.

Section 7.7 -- Severance Pay. Employees shall be entitled to thirty days written notice, payment of accrued sick leave (up to 80 hours), vacation leave, personal leave, compensatory time and holiday accrual time (all accumulated), and payment of one month's pay at the base rate of pay in the event that the Authority is dissolved while employee is still employed at the time the decision is made by the Board of Directors to dissolve.

Employees with six or more years of service shall be entitled to receive an additional one-month's pay at the base rate, but only in the event that the Authority is dissolved while employee is still

employed at the time the decision is made by the Board of Directors to dissolve. In no event shall the amount received by employee exceed the balance of the contract period. In order to receive the additional month's pay entitlements, the employee must continue at work until the specific date of dissolution or until advised by Authority that his/her services are no longer needed.

Section 7.8 – Termination Pay. Upon termination, the employee will be paid for accrued vacation leave (not more than the maximum accumulation listed in Section 6.11 for completed service), accrued unused floating holidays, and compensatory time earned but not taken, in accordance with the limitations established in the preceding sections. Accrued sick leave is not compensable on termination.

Section 7.9 – Travel Allowance. Subject to the audit and approval of the Executive Director or his/her designee, employees of the Authority shall (except where a specific allowance for automobile use is made) be entitled to receive expense reimbursements for furnishing to said Authority their own personal automobiles in the performance of the duties necessarily incident to their respective offices or employment, at the Internal Revenue Service's (IRS) prevailing rate. All mileage expense reimbursement requests under this section must be rendered within thirty (30) days of incurring such expenses, and must indicate the specific purpose for which the automobile was used. The Executive Director may establish certain limits of liability on automobile insurance that must be maintained by employees and employees may be required to provide proof of insurance coverage to the Authority in order to be eligible for reimbursement.

Section 7.10 – Longevity Pay. Each full-time employee shall receive an annual longevity payment according to the following schedule.

| Anniversary | Amount Payable |
|-------------|----------------|
| 10          | \$400          |
| 11          | \$450          |
| 12          | \$500          |
| 13          | \$550          |
| 14          | \$600          |
| 15          | \$650          |
| 16          | \$700          |
| 17          | \$750          |
| 18          | \$800          |
| 19          | \$850          |
| 20          | \$900          |
| 21          | \$950          |
| 22          | \$1,000        |
| 23          | \$1,050        |
| 24          | \$1,100        |
| 25          | \$1,150        |
| 26          | \$1,200        |
| 27          | \$1,250        |
| 28          | \$1,300        |
| 29          | \$1,350        |
| 30 or more  | \$1,400        |

## Section 7.11 – Education

- (a) Educational Reimbursement. The Authority agrees to an educational (college or university courses) reimbursement of \$4,000 per year for books and tuition towards a Masters Degree, upon successful completion with a grade level of “C” or better and if job related and pre-approved by the Executive Director. The definition of “job related” shall be determined by the Executive Director, whose decision shall be final. Courses must be from an accredited college. The total lifetime reimbursement during employment at the Authority is not to exceed \$12,000. Course transcripts including course name, grade, and dates of course and receipts must be submitted no later than 30 days of course completion. Reimbursement shall be awarded in the fiscal year in which the course was completed.

Section 7.12 – New Client Award. Up until June 30, 2019, when a new “Client” city or agency contracts with the Authority for dispatch services, a fixed dollar amount equal to 5% of each employee’s annual base salary will be awarded on the date the original contract for services is signed. Each year thereafter and until the original agreement expires or is terminated early by one or more parties, on the anniversary date of the contract’s execution, this fixed dollar amount will be awarded to each employee. Only those employees who were in this bargaining group as of July 1, 2016 shall be eligible for this award. Section 7.12 shall be discontinued effective February 28, 2022.

Section 7.13 – Deferred Compensation. The Authority will contribute \$150 per month toward each employee’s deferred compensation account. The Authority will further provide up to \$150 matching funds per month toward each employee’s deferred compensation contribution.

Section 7.14 – Gift of Accruals. Employees shall be entitled to gift accruals to another employee within the Management and Confidential Employees bargaining group for a catastrophic event. The Authority reserves the right to establish policies to determine qualifying events and establish limitations on the number of hours that may be transferred by employees.

## **ARTICLE 8 – FRINGE BENEFITS**

Section 8.1 – Insurance Benefits Program. Each full-time employee is eligible to participate in the Authority’s selected group insurance benefits program on the following bases:

Section 8.2 - Medical-Dental Plans. Full-time employees and their dependents shall be eligible for coverage in the medical and dental plans under the terms and conditions of the contract executed between the Authority and the insurance providers selected by the Authority.

Section 8.3 - Contribution Amount. Effective July 1, 2009, the Authority shall, under a Cafeteria, Flexible or Optional Benefit Plan, contribute \$1,100 per month toward employees’ medical and dental insurance premiums. Effective July 1, 2018, the Authority’s contribution toward employees’ medical and dental insurance premiums shall increase to \$1,200 per month. Effective July 1, 2019, the Authority’s contribution toward employee’s medical and dental insurance premiums shall increase to \$1,250 per month. Effective July 1, 2020, the Authority’s contribution toward employee’s medical and dental insurance premiums shall increase to \$1,300

per month. Effective July 1, 2021, the Authority's contribution toward employee's medical and dental insurance premiums shall increase to \$1,350 per month. This amount includes the Authority's contribution towards health insurance plan premium for each employee, which is the mandatory employer contribution required under California Government Code Section 22892(b) of the Public Employees' Medical and Hospital Care Act (PEMHCA).

Section 8.4 - IRS Section 125 Cafeteria Plan. The Authority shall implement a Section 125 Cafeteria Plan as soon as all the required documents are in place. Under this Plan, the Authority shall continue to contribute the above amount towards employees' and their dependents' medical and dental insurance premiums. Should the Authority's contribution exceed the cost of the medical and dental insurance premiums, employees may receive up to \$150 in cash back as taxable income. Should the employee elect not to participate pursuant to Section 8.5, below, employee may receive up to \$300 in cash back as taxable income. Effective July 1, 2020, should the Authority's contribution exceed the cost of the medical and dental insurance premiums, or should employee voluntarily elect not to participate pursuant to Section 8.5, below, employee shall not receive any cash back.

Section 8.5 - Medical Plan Waiver. Should employee voluntarily elect not to participate in the Authority's medical insurance, the employee must provide proof of medical insurance coverage under a spouse's or another medical insurance plan.

Section 8.6 - Medical-Dental Insurance Coverage When Employee is on Unpaid Status. The Authority shall pay for thirty (30) days from the date the employee is on leave without pay.

Section 8.7 - Medical-Dental Insurance Coverage. When Employee is on approved leave pursuant to the Family Medical Leave Act (FMLA), Authority shall provide up to twelve (12) work weeks of paid coverage for medical and dental insurance in accordance with the FMLA guidelines. The Authority will comply with all applicable laws regarding protected leave and the provision of medical insurance benefits.

Section 8.8 - Retirees' Medical. The Authority shall continue to contribute the minimum amount for medical insurance premium as required under Section 22892(b) of the PEMHCA for employees who retire from the Authority. In addition, each employee with a minimum of 10 years of service with the Authority who retires from the Authority shall receive the following additional amounts, from the date of retirement until age 65:

- (a) \$40 for each year of service with the Authority; or,
- (b) Employees who retire before July 1, 2019, shall receive nine hundred and sixty dollars (\$960.00) per month, as long as the Authority remains in PEMHCA. If the Authority elects to not remain in PEMHCA, employees who retire from the Authority before July 1, 2019, shall receive the retiree medical benefits specified in the preceding paragraph above herein (paragraph (a)), depending upon their years of service

These additional amounts shall be used for employee-only medical premiums, and any excess amount will not be provided to the employee.

The Authority currently contracts with the California Public Employees Retirement System (CalPERS) for employee group insurance health benefits. If the Authority should terminate its

contract with CalPERS, all employees hired prior to 1986 who are ineligible to participate in Medicare and retire from a classification covered by this memorandum of understanding, are receiving retirement benefits from CalPERS and have a minimum of twenty (20) years of full-time employment, shall be entitled to enroll in an Authority-selected health benefit plan. The benefits provided in the health plan selected by the Authority shall equal or exceed the benefits the employee would have received had he/she been eligible to participate in Medicare. The Authority agrees to pay the cost of coverage for the plan in which the employee is enrolled. If the employee resides outside the State of California at the time of eligibility, the Authority agrees to pay the employee the cash equivalent of the cost of coverage for the plan in which the employee would have been enrolled had he/she lived in California. This benefit commences upon the employee reaching the age of 65, at which time he/she would have otherwise been eligible to participate in Medicare. The benefit shall cease if and when the employee becomes eligible to participate in Medicare or equivalent Government health benefit program.

Section 8.9 - Life Insurance Plan. All full-time employees shall receive a life insurance policy covering the employee in the amount of \$100,000. Authority shall pay the premium.

Section 8.10 - Vision Plan. Full-time employees and their dependents shall be eligible for coverage in the vision plan under the terms and conditions of the contract executed between Authority and the insuring agency. Authority shall pay one hundred percent of the premium charged.

Section 8.11 - Time of Payments. Authority shall pay its portion of medical, dental, life insurance, and vision plan premiums for a period not to exceed 30 days after the expiration of paid leave entitlements.

## **ARTICLE 9 -- PROBATIONARY EMPLOYEES, LIMITED RIGHT TO GRIEVE**

Section 9.1 -- Rights. A probationary employee may grieve only a disciplinary action administered without just cause. Termination or reduction of a probationary employee for failure to acquire the skills necessary to perform the job shall not be considered a disciplinary action.

## **ARTICLE 10 -- DEMOTION**

Section 10.1 -- Pay. When a promoted employee is subsequently demoted, whether voluntarily or not, from a position in one pay grade to a position in a lower pay grade, the rate of pay after demotion shall be the same as the rate of pay the employee received immediately before promotion, plus any cost-of-living increase awarded all employees during the interim. Should this action require assigning the demoted employee to a pay step higher than the highest step on the appropriate pay scale, the employee shall be Y-rated after assignment.

Section 10.2 -- Seniority. When a probationary promoted employee is subsequently demoted, whether voluntarily or not, from a position in one pay grade to a position in a lower pay grade, the seniority date of the employee after demotion shall be the same as it was before promotion. Demotion of a permanent employee shall require issuance of a new seniority date equal to the date of the demotion.



## **ARTICLE 11 -- VOLUNTARY TERMINATION OF EMPLOYMENT**

**Section 11.1 -- Notice.** Each employee agrees to provide 15 days minimum written notice of intent to terminate employment. Insufficient notice may be grounds for a finding of "ineligible for rehire", as may be excessive absence during the period of notice.

**Section 11.2 -- Return of Property.** Return of all serviceable Authority property and payment for missing or unserviceable items is required before preparation of the final paycheck.

## **ARTICLE 12 -- COMPENSATION**

All compensation shall be as indicated below:

- 4.25% increase effective the first full pay period in July 2019
- 2.00% increase effective the first full pay period in July 2020
- 4.20% increase effective the first full pay period in July 2021

## **ARTICLE 13 -- APPOINTMENT AND ADVANCEMENT**

**Section 13.1 -- Appointments.** The Executive Director may make appointments within the prescribed salary range for any position.

**Section 13.2 -- Merit Step Advancement.** Every employee shall receive step advancements within the 5-step range in the following manner:

1. Upon successful completion of one year of service in a classification, an employee shall be eligible for a salary step increase to the next step (on the first day of the pay period that begins after one year of service has been completed) and each year annually thereafter, provided he/she has received an evaluation with an overall rating of at least satisfactory.
2. All merit increases are recommended by the employee's supervisor and approved by the Executive Director. Movement between Step B and C, Step C and D, and Step D and E are in one year increments unless otherwise approved by the Executive Director who may approve movement of more than one step.

**Section 13.3 -- Special Merit Advancement.** The Executive Director may authorize the advancement of an employee to any step within the prescribed range for that employee's current position, upon written recommendation of the employee's supervisor. Such salary increases shall be effective on the first day of the pay period following the approval by the Executive Director. A special merit advancement shall affect the annual date that an employee is eligible for salary step increases, causing it to change to the effective date of the special merit advancement.

## **APPENDIX A**

### **ACCOUNTANT**

| Salary Schedule | FY 19-20   |           | FY 20-21   |           | FY 21-22   |           |
|-----------------|------------|-----------|------------|-----------|------------|-----------|
|                 | Monthly    | Hourly    | Monthly    | Hourly    | Monthly    | Hourly    |
| Step A          | \$6,590.69 | \$38.0232 | \$6,722.50 | \$38.7837 | \$7,004.85 | \$40.4126 |
| Step B          | \$6,920.13 | \$39.9238 | \$7,058.53 | \$40.7223 | \$7,354.99 | \$42.4326 |
| Step C          | \$7,266.22 | \$41.9205 | \$7,411.54 | \$42.7589 | \$7,722.82 | \$44.5547 |
| Step D          | \$7,629.01 | \$44.0135 | \$7,781.59 | \$44.8938 | \$8,108.42 | \$46.7793 |
| Step E          | \$8,010.58 | \$46.2149 | \$8,170.79 | \$47.1392 | \$8,513.96 | \$49.1190 |

### **ADMINISTRATIVE SERVICES MANAGER**

| Salary Schedule | FY 19-20    |           | FY 20-21    |           | FY 21-22    |           |
|-----------------|-------------|-----------|-------------|-----------|-------------|-----------|
|                 | Monthly     | Hourly    | Monthly     | Hourly    | Monthly     | Hourly    |
| Step A          | \$9,976.51  | \$57.5568 | \$10,176.04 | \$58.7079 | \$10,603.43 | \$61.1736 |
| Step B          | \$10,451.06 | \$60.2946 | \$10,660.08 | \$61.5005 | \$11,107.80 | \$64.0835 |
| Step C          | \$10,953.77 | \$63.1948 | \$11,172.85 | \$64.4588 | \$11,642.11 | \$67.1660 |
| Step D          | \$11,476.56 | \$66.2109 | \$11,706.09 | \$67.5351 | \$12,197.75 | \$70.3716 |
| Step E          | \$12,031.55 | \$69.4128 | \$12,272.18 | \$70.8010 | \$12,787.61 | \$73.7747 |

### **EXECUTIVE ASSISTANT**

| Salary Schedule | FY 19-20   |           | FY 20-21   |           | FY 21-22   |           |
|-----------------|------------|-----------|------------|-----------|------------|-----------|
|                 | Monthly    | Hourly    | Monthly    | Hourly    | Monthly    | Hourly    |
| Step A          | \$7,073.63 | \$40.8094 | \$7,215.10 | \$41.6256 | \$7,518.13 | \$43.3738 |
| Step B          | \$7,568.31 | \$43.6633 | \$7,719.68 | \$44.5366 | \$8,043.91 | \$46.4072 |
| Step C          | \$8,062.96 | \$46.5171 | \$8,224.22 | \$47.4474 | \$8,569.64 | \$49.4402 |
| Step D          | \$8,557.62 | \$49.3709 | \$8,728.77 | \$50.3583 | \$9,095.38 | \$52.4733 |
| Step E          | \$9,052.30 | \$52.2248 | \$9,233.35 | \$53.2693 | \$9,621.15 | \$55.5066 |

**FINANCE & PERFORMANCE AUDIT MANAGER**

| Salary Schedule | FY 19-20    |           | FY 20-21    |           | FY 21-22    |           |
|-----------------|-------------|-----------|-------------|-----------|-------------|-----------|
|                 | Monthly     | Hourly    | Monthly     | Hourly    | Monthly     | Hourly    |
| Step A          | \$10,226.60 | \$58.9996 | \$10,431.13 | \$60.1796 | \$10,869.24 | \$62.7072 |
| Step B          | \$10,712.80 | \$61.8046 | \$10,927.06 | \$63.0407 | \$11,386.00 | \$65.6885 |
| Step C          | \$11,227.08 | \$64.7716 | \$11,451.62 | \$66.0670 | \$11,932.59 | \$68.8419 |
| Step D          | \$11,764.06 | \$67.8696 | \$11,999.34 | \$69.2270 | \$12,503.31 | \$72.1345 |
| Step E          | \$12,331.75 | \$71.1447 | \$12,578.39 | \$72.5676 | \$13,106.68 | \$75.6155 |

**OPERATIONS MANAGER**

| Salary Schedule | FY 19-20    |           | FY 20-21    |           | FY 21-22    |           |
|-----------------|-------------|-----------|-------------|-----------|-------------|-----------|
|                 | Monthly     | Hourly    | Monthly     | Hourly    | Monthly     | Hourly    |
| Step A          | \$10,427.28 | \$60.1574 | \$10,635.83 | \$61.3606 | \$11,082.53 | \$63.9377 |
| Step B          | \$10,948.63 | \$63.1652 | \$11,167.60 | \$64.4285 | \$11,636.64 | \$67.1345 |
| Step C          | \$11,496.06 | \$66.3234 | \$11,725.98 | \$67.6499 | \$12,218.47 | \$70.4912 |
| Step D          | \$12,070.86 | \$69.6396 | \$12,312.28 | \$71.0324 | \$12,829.40 | \$74.0158 |
| Step E          | \$12,674.41 | \$73.1216 | \$12,927.90 | \$74.5840 | \$13,470.87 | \$77.7166 |

## APPENDIX S

### SIGNATURE PAGE

**IN WITNESS WHEREOF**, the parties hereto have caused this Memorandum of Understanding to be executed on the date shown beneath each signature.

On behalf of the SOUTH BAY  
REGIONAL PUBLIC  
COMMUNICATIONS AUTHORITY

  
\_\_\_\_\_  
Erick B. Lee  
Executive Director

DATE: 8/21/2019

  
\_\_\_\_\_  
Edward Medrano  
Chairman  
Executive Committee

DATE: 8/20/19

On behalf of MANAGEMENT and  
CONFIDENTIAL EMPLOYEES

  
\_\_\_\_\_  
Shannon Kauffman  
Operations Manager  
Negotiator

DATE: 8/15/19

  
\_\_\_\_\_  
John Krok  
Administrative Services Manager  
Negotiator

DATE: 8/20/19