

**MEMORANDUM OF UNDERSTANDING**  
**CITY OF COTATI**  
**AND**  
**COTATI EMPLOYEES ASSOCIATION**



**EFFECTIVE JULY 1, 2021**

**THROUGH**

**JUNE 30, 2026.**



**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
CITY OF COTATI AND COTATI EMPLOYEES ASSOCIATION**

**ARTICLE 1: PREAMBLE**

It is the intent and purpose of this Memorandum of Understanding (MOU) to set forth the understanding of the parties reached as a result of meeting and conferring in good faith regarding, but not limited to, matters relating to the wages, hours, and terms and conditions of employment of employees represented by the Cotati Employees Association (CEA).

City representatives agree to recommend to the City Council of the City of Cotati that all terms of the MOU be adopted in full by Resolution of the City Council. Upon such adoption, all terms and conditions of this MOU shall then become effective without further action by either party.

**ARTICLE 2: SAVINGS CLAUSE**

If any section, subsection, subdivision, sentence, clause or phrase of this agreement is, for any reason, held to be illegal or unconstitutional, such decision shall not affect the validity of the remaining portions of this agreement.

**ARTICLE 3: MANAGEMENT RIGHTS**

Section 3.01.

Except as otherwise specifically provided and subject to applicable laws, the City has and retains the sole and exclusive rights and functions of management, including, but not limited to, the following:

- A. To determine the nature, standards, and extent of services to be performed, as well as the right to determine and implement its public function and responsibility.
- B. To manage all facilities and operations of the City, including the methods, means, and numbers and kinds of personnel by which the City operations are to be conducted.
- C. To direct the working forces, including the right to hire, assign, promote, demote, or transfer any employee.
- D. To assign work to and schedule employees in accordance with requirements as determined by the City, and to establish and change work schedules and assignments upon reasonable notice.
- E. To discharge, suspend, demote, reprimand, withhold salary increases and benefits, otherwise discipline employees in accordance with applicable law.
- F. To determine policies, procedures, and standards affecting the selection, training, and promotion of employees.

- G. To establish, assess, and implement employee performance standards, including, but not limited to, quality and quantity standards; the assessment of employee performances; and the procedures for said assessment.
- H. To implement rules, regulations, and directives consistent with law and the specific provisions of this MOU.
- I. To take all necessary actions to protect the public and carry out its mission in emergencies.
- J. To determine the content of job classifications.
- K. To contract out and transfer work out of the bargaining unit.

Section 3.02.

The CEA employees covered by this MOU recognize that the City has and will continue to retain, whether exercised or not, the unilateral and exclusive right to operate, administer, and manage its municipal services and work force, performing those services in all respects subject to this Memorandum of Understanding. Failure by the City to exercise or implement any rights expressly provided for in this Agreement shall in no way extinguish and/or diminish the City's right to do so in the future.

**ARTICLE 4: ASSOCIATION AND EMPLOYEE RIGHTS**

Section 4.01. Employee Rights.

The City of Cotati recognizes the employees' rights to self-organization and to be represented by employee organizations of their own choosing as set forth in Chapter 10, Division 4 of the Government Code of the State of California.

Section 4.02. Bulletin Boards.

The Association will be permitted to use non-public area bulletin boards on City property for the purpose of posting notices of meetings and other official CEA business with the understanding that material derogatory to the City will not be posted. All CEA postings on City bulletin boards are subject to City approval in advance of posting. City approval will not be unreasonably denied. This provision shall not apply to the City's web-site or email system.

Section 4.03. Access to Work Locations.

Association representatives will be permitted access to work locations to confer with City employee members on matters of employer-employee relationships but not such internal employee organization business as soliciting membership, campaigning for office, and

organization meetings and elections. Such representatives shall not interfere with the efficiency, safety and security of City operations or in any way interfere with work in progress.

Section 4.04. Meeting Space.

City will provide to Association, at no cost, meeting space outside normal working hours provided such space is available. Any other paid or City use of facility shall prevail. Association meetings on City premises shall be governed by City operational and security requirements.

Section 4.05. Personnel files.

The City's personnel files maintained in the Administrative Services office, are not subject to public inspection, except in accordance with law. Employees or, with employee authorization, his or her duly authorized representative have the right to inspect his or her personnel file maintained on him or her by the City after giving the City Manager or his/her designee reasonable notice of two (2) workdays. A manager will accompany an employee or representative during personnel file review. An employee may not remove a personnel file from the office designated by the City for review of the file. Employees have the right to respond in writing to anything contained or placed in their personnel file and any such response(s) shall become part of their personnel file.

**ARTICLE 5: UNIT DESCRIPTION**

Section 5.01.

The following classifications are represented by the Cotati Employees' Association and are members of this unit:

- Classifications
- Accountant
- Account Clerk I
- Account Clerk II
- Accounting Specialist
- Administrative Analyst (Non-Confidential)
- Administrative Assistant
- Assistant Planner
- Associate Engineer
- Associate Planner
- Building Inspector
- Civil Engineer
- Engineering Technician
- Maintenance Worker I
- Maintenance Worker II
- Maintenance Worker III
- Permit Technician
- Planning Technician

Recreation Coordinator  
Senior Accountant  
Senior Accounting Clerk  
Senior Planner

## **ARTICLE 6: ASSOCIATION SECURITY**

### **A. Dues Deduction**

The City shall provide payroll deductions of membership dues for plans sponsored by CEA upon receipt of written certification by the CEA that it has and will maintain an authorization, signed by individual employees described in Article 5 above, from whose salary or wages the deduction or reduction is to be made. The providing of such service to CEA by the City shall be contingent upon, and in accordance with, the provisions of the Government Code, City ordinances, resolutions, memoranda of understanding and applicable administrative procedures. Such dues deductions shall continue so long as the Association remains the exclusive representative for the bargaining unit and so long as it has otherwise complied with this section in providing written certification to the City. The Association shall certify to the City in writing any changes in the required payroll deduction.

The CEA agrees that it will provide a copy of individual authorizations to the City should a dispute arise about the existence or terms of the authorization.

The CEA shall indemnify the City and any department of the City and hold it harmless against any and all claims, demands, suits, or other forms of liability that may arise out of, or by reason of, any action taken by the City, or any department of the City, for the purpose of complying with payroll deduction provisions.

### **B. New Employee Orientation**

The City will provide at least ten (10) calendar days' notice to the Association for new employee orientations, except where there is an urgent need critical to the City's operations that was not reasonably foreseeable. The Association may have up to thirty (30) minutes at the end of each new employee orientation that is attended by new employees represented by this bargaining unit, or at another time mutually agreed to by the City and Association, in order to present membership information.

The City will provide up to thirty (30) minutes of paid release time to one (1) designated employee representative to cover travel time to and from the orientation site, and presentation of membership information to new employees represented by this bargaining unit.

The date, time, and place of the new employee orientation will not be disclosed to anyone other than employees, the Association, or a vendor that is contracted to provide a service for purposes of the orientation.

C. Employee Information

Within thirty (30) days of the date of hire or by the first pay period of the month following hire, the City will provide the Association with the following employee information: name, job title, department, work location, work, home, and personal cellular telephone numbers, personal email addresses on file with the employer, and home address. The City will also provide the Association with a list of such information for all employees in the bargaining unit every one hundred twenty (120) days.

Before providing the personal contact information listed above, the City will provide employees with the opportunity to elect non-disclosure to the Association.

**ARTICLE 7: COMPENSATION**

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Section 7.01. Wages

A. Cost of Living Adjustment:

Effective the first full pay period following July 1, 2021, or effective the first full pay period following City Council approval of a successor MOU, whichever is later, salary scheduled for represented job descriptions will be increased by two and one-half percent (2.5%).

Effective the first full pay period following July 1, 2022, salary scheduled for represented job descriptions will be increased by two and one-half percent (2.5%).

Effective the first full pay period following July 1, 2023, salary scheduled for represented job descriptions will be increased by two and one-half percent (2.5%).

Effective the first full pay period following July 1, 2024, salary scheduled for represented job descriptions will be increased by two and one-half percent (2.5%).

Effective the first full pay period following July 1, 2025, salary scheduled for represented job descriptions will be increased by two and one-half percent (2.5%).

Section 7.02. Salary

A. Salary Advancement

Assigned salary ranges normally contain five (5) steps. Employees move through these steps on the basis of performance. Employees shall be eligible for salary advancement consideration, as follows:

1. To the "B" step of the salary schedule after successful completion of twelve (12) months (2080 hours) at the "A" step. The date of this increase shall become the employee's pay review date for purposes of eligibility for future merit step increases.
2. To the "C" step after successful completion of one (1) year or 2080 hours at the "B" step.
3. To the "D" step after successful completion of one (1) year or 2080 hours at the "C" step.
4. To the "E" step after successful completion of one (1) year or 2080 hours at the "D" step.

When an employee is hired at a step other than Step "A" of the salary range assigned to the position, the employee shall be eligible for a step increase one (1) year or 2080 hours from the date of employment, and this date shall become the employee's pay review date for purposes of eligibility for future merit increases. Thereafter, the above merit pay procedure shall be followed.

Salary advancements are granted for continued meritorious and efficient service, and after continued improvement in assigned tasks, in conjunction with performance appraisal procedures. Recommendations are initiated by immediate supervisors and are then forwarded to the concerned department head for approval. These, in turn, shall be transmitted to the City Manager.

Salary step advancements are not guaranteed. When an employee is denied a merit increase, the employee shall be informed of such and the reasons therefore in writing. The employee shall be reconsidered for advancement within three (3) months and, if still denied, may be reconsidered for advancement at any subsequent time recommended by management of the concerned department.

Employees who have received internal promotions, if assigned to the next higher step of the new range offering a minimum two and one-half percent (2.5%) salary increase, shall be eligible for a step increase upon successful completion of one (1) year (2080 hours) in the new position. If employees are placed on a higher step than this—based upon the recommendation of the department head and approval of the City Manager—they shall be eligible to advance to the next step of the range one (1) year (2080 hours) from the date of their promotion, and this date shall also become the employee's pay review date for purposes of eligibility for future merit increases.

B. Longevity Pay

An employee shall be eligible for salary advancement (longevity pay), subject to satisfactory review of performance, based on the following schedule:

1. 3% after 8-1/2 years (17,680 hours)
2. 3% after 13-1/2 years (28,080 hours)
3. 3% after 18-1/2 years (38,480 hours)

Section 7.03. Uniform Program

The purpose of this uniform program is twofold: (1) to identify City employees who have direct contact with the public on a regular basis, and to enhance the image of City operations generally performed by City personnel in public view; and (2) to provide uniforms to those personnel who are required to perform duties that result in their clothing becoming excessively dirty or in duties that require identifying uniforms. Any identifying patches, badges, etc., purchased by the City for an employee, must be returned to the City when an employee terminates City employment.

All personnel who are required under this program to wear uniforms furnished by the City shall abide by the following rules unless, for safety or other reasons, in particular situations prudent judgment dictates to the contrary.

- A. City issued uniform, or any part of it, shall be worn only during working hours, in traveling to and from work, or while serving in a standby capacity. The City will report to CalPERS the monetary value for provision of all classic employees' City-provided uniforms as described above, excluding the cost of safety boots and other safety gear, on a semi-monthly basis. The uniform amount reported to CalPERS will be derived from the City's total calendar year cost for providing the employee's uniforms, not to exceed \$1,500 per fiscal year, per employee. The monetary value of uniforms shall not be reported to CalPERS for employees who are "new members" as defined by Government Code Section 7522.02(f).
- B. Footwear: Uniformed personnel shall wear safety shoes which shall be worn only during working hours, in traveling to and from work, or while serving in a standby capacity.

Personnel who work with hazardous machinery or equipment that requires safety clothing shall wear such gear to prevent bodily injury. The policy on the purchase of shoes shall be as follows:

1. Each employee will be entitled, during each fiscal year to be reimbursed up to an amount not to exceed two hundred and fifty dollars (\$250.00) for purchase of needed safety shoes and belt at a store of employee's option.

2. Each employee in an engineering job classification will be entitled, during each fiscal year, to be reimbursed up to an amount not to exceed two hundred and fifty dollars (\$250.00) for purchase of needed safety shoes at a store of employee's option.
2. Safety shoes must meet OSHA guidelines.
- C. Safety Jacket: City issued safety jackets, shall be worn only during working hours, in traveling to and from work.
- D. Uniforms and/or safety jackets damaged through employee misuse or negligence shall be replaced at the employee's expense.
- E. Uniform and Safety Jacket Cleaning Policy: Public Works employees that are provided uniforms will receive a supply of seven (7) shirts and seven (7) pants, one (1) safety jacket, and two (2) coveralls which will be the sole responsibility of the employee to launder. Employees will return worn uniforms to City on an as needed basis for replacement subject to the approval of the Director of Public Works/ City Engineer. In consideration of employees laundering their own uniforms, City will compensate employees \$5 per pay period (semi-monthly) which sum will be included on employees' paychecks for the payroll period ending July 15<sup>th</sup> every year.
- F. Rain Gear: City issued rain gear will be provided to each Public Works employee and replaced on an as needed basis subject to the approval of the Director of Public Works/ City Engineer.

#### Section 7.04. Deferred Compensation Plan

A deferred compensation plan was previously available to all employees, providing tax-deferred savings and/or a retirement supplement. Employees made contributions, through payroll deductions, into one or more savings vehicles through payroll deduction, up to the legal maximum as defined by the law governing deferred compensation accounts. Effective June 30, 2012, the City contribution to the deferred compensation plan on behalf of employees was permanently discontinued. Effective July 1, 2012, in lieu of City contributions to the deferred compensation plan, Tier 1 employees received a reduction of the employee cost of retirement benefit enhancements by two percent (2%). The parties intended the replacement of the City contribution to the deferred compensation plan with a reduction of the employee cost of the retirement benefit enhancement to be cost neutral for both employees and the City.

Effective the first full pay period following July 1, 2021, or effective the first full pay period following City Council approval of a successor MOU, whichever is later, full-time regular employees with Tier 2 or Tier 3 ("PEPRA") pension benefits are eligible to participate in a City-matching deferred compensation plan. Provided the total City contribution to Tier 2 or Tier 3 pension benefits remains under twenty percent (20%) of the employee's base salary, the City will match employee contributions to the City's deferred compensation plan, up to a maximum of two percent (2%) of base salary.

### Section 7.05. Direct Deposit

The City will offer employees the option of direct deposit for their payment of semi-monthly payroll. The employee will be given the option to select a banking institution to have their semi-monthly payroll directly deposited. The City cannot guarantee direct deposits, and employees will be responsible for follow-up with their banking institution when problems arise that are directly related to errors and/or omissions on the part of such banking institution.

## **ARTICLE 8: INSURANCES**

The City makes available at its discretion, subject to Section 8.01, a choice of group medical, dental, life, disability, supplemental and vision insurance programs for employees and their family members. The City does not make available any life insurance policy to employee's eligible dependents under these plans.

### Section 8.01. Medical, Dental, and Vision Insurance

- A. Medical Insurance: The City offers medical insurance through REMIF. The policies shall be determined by the City, and shall be available for permanent or probationary full time employees and their eligible dependents.

The City shall pay only the percentage of the City contribution commensurate with the percentage of hours worked. Employees will contribute the remainder of the premium cost not paid by the City through payroll deduction.

1. Effective July 1, 2012, the City will pay ninety percent (90%) of the cost of group medical insurance premiums for full-time regular employees and their eligible dependents enrolled in City-offered medical insurance plans, solely for the purchase of medical insurance coverage that is affordable and provides minimum essential coverage as defined by the Affordable Care Act. Employees will pay the remaining ten percent (10%) cost of the medical insurance premiums.
- B. Dental Insurance: The City offers dental insurance. The policy shall be determined by the City and shall be available for permanent or probationary full-time employees and their eligible dependents. The City will pay one hundred percent (100%) percent of the premium for full-time regular employees. The City shall pay only the percentage of the premium commensurate with the percentage of hours worked.
- C. Vision Insurance: The City offers vision insurance. The policy shall be determined by the City and shall be available for permanent or probationary full-time employees and their eligible dependents. The City will pay one hundred percent (100%) percent of the premium for full-time regular employees. The

City shall pay only the percentage of the premium commensurate with the percentage of hours worked.

- D. Permanent part-time employees must work at least half-time (twenty (20) hours per week) to be eligible for medical, dental and vision benefits. All other employment benefits including leave bank and holiday pay will be pro-rated determined by the actual assigned hours that the permanent part-time employee works, in accordance with applicable plan rules and requirements.

Section 8.02. Other Insurance.

- A. Life Insurance: The City shall provide life insurance coverage in the amount of \$100,000 for each employee, policy to be determined by the City. The City shall pay only the percentage of the premium commensurate with the percentage of hours worked
- B. Section 125 Plan: The City offers an IRS 125 plan. The plan allows employees to pay medical and childcare expenses with pre-tax dollars in accordance with IRS regulations. Any pre-tax dollars withheld, but not spent, during the plan's fiscal year will be forfeited to the City except as precluded by federal law.
- C. AFLAC: The City makes available to all permanent and probationary employees a group of supplemental insurance policies offered by AFLAC. The policy premiums are paid by the employee through payroll deduction.
- D. Employee Assistance Program: The City provides an Employee Assistance Program for all employees. The City shall pay only the percentage of the premium commensurate with the percentage of hours worked.
- E. Long Term Disability: The City offers a Long Term Disability Insurance (LTD) for all full time permanent and probationary employees. The extent of benefits will be dependent on provider; however, minimum benefits are to be:
  - 1. Coverage beginning on the 61<sup>st</sup> day of disability
  - 2. Disability benefit received will be 60% of employee base salary with a cap of \$5,000 per month; and
  - 3. Benefits will be available for the length of disability until retirement age.

The City shall pay only the percentage of the premium commensurate with the percentage of hours worked.

- F. Short Term Disability: Effective January 1, 1996, SDI was discontinued and replaced by a City self-funded short-term disability plan. This plan shall consist of :

1. City paid coverage by which employee utilizes all accrued time off, such as leave bank, sick leave (old), compensatory time, and personal holidays. When such time off has been exhausted by employee, City will continue to compensate employee at 50% of his/her current base salary through the 60<sup>th</sup> consecutive day of disability.

G. COBRA: Under the provisions of the Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1986, employees and their families may temporarily extend health insurance coverage, in accordance with COBRA rules and regulations.

#### Section 8.03. Retiree Medical Benefits

Retired full-time permanent employees with 15 years or more of full-time permanent service and their spouses may participate, at their option, in a City-provided medical, dental and vision plan after the official date of retirement until the participant becomes eligible for SSI or Medicare, whichever is sooner. Retiree pays 100% of the applicable premium for the retiree and dependent(s).

Eligibility will be determined in accordance with REMIF rules and regulations. Starting the 2010-11 fiscal year, this includes a requirement that employees be enrolled in a REMIF member entity's health program at retirement, and maintain enrollment in a REMIF member entity's health plan for a period of at least five (5) consecutive years immediately prior to retirement.

#### Section 8.04 Part-Time Employees

The City recognizes an obligation as a responsible employer to provide employment benefits that are offered to full-time permanent or probationary employees to part-time, permanent employees on a pro-rata basis. Due to policy limitations we are not able to provide long term disability. For part-time permanent employees, employment benefits are calculated on actual assigned hours of work per week. For example, based on one-half time employment in the case of vision, life, medical and dental premiums, the City will contribute fifty percent (50%) of the City contribution to premiums.

#### Section 8.05. Medicare

In compliance with H.R. 3128, all full-time, part-time, temporary, and seasonal employees hired after March 31, 1986 must participate in the Medicare program pursuant to all applicable laws.

### **ARTICLE 9: RETIREMENT**

#### Section 9.01. Public Employees' Retirement System (PERS)

The City of Cotati is a member of the Public Employees' Retirement System (PERS). All permanent or probationary, full-time employees are required to become members of the system.

Permanent part-time employees are required to become members if they work more than one thousand (1,000) hours in any fiscal year.

A. Classic Members – Tier 1: The following benefits were put into effect for Cotati Employees Association members hired on or before April 27, 2011, which is the date of adoption of the amended City contract with CalPERS:

1. Employees are covered under the “2.7% at 55, single highest years’ salary formula.” This plan provides for a retirement allowance at age 55 that is equal to the product of the number of years of service time .027 of the average monthly compensation earned during the single highest-paid year of service. Employees may retire at age 55, with five (5) or more years of PERS-credited service.
2. Employees also receive the PERS Section 21574 Fourth Level of 1959 Survivor Benefits. This benefit costs four dollars (\$4) per month per employee. The City shall match two dollars (\$2) per month of the cost with each employee. There will be a payroll deduction of one dollar (\$1) per semi-monthly pay period.
3. Employees shall contribute 9.371% of the cost for the following retirement benefit enhancements implemented in 2007:

- Section 21354.5 – 2.7% at 55 Full and Modified formula
- Section 20042 – One Year Final Compensation
- Section 21574 – Fourth Level of 1959 Survivor Benefits

The 9.371 percentage is based on the 2007 PERS actuarial for benefit enhancements (7.546%) plus 2011 rate increase applying to the benefit enhancements (1.825%). Future increases in the employer contribution may result in a change to the employees’ contribution rate to facilitate sharing of costs and continued employee payment for the agreed-upon enhancements. The City and the Association agree to meet each year of the term of this Agreement regarding cost sharing of any increase to the employer contribution.

4. Effective July 1, 2012, employees hired before the date the City adopts a resolution to establish a second pension tier for Classic Members will pay an additional three percent (3%) of the employee contribution to CalPERS for pension.

B. Classic Members – Tier 2: The following benefits were put into effect for Cotati Employees Association members hired after April 27, 2011, the date of adoption of the amended City contract with CalPERS, and prior to January 1, 2013:

1. Employees will be covered under the 2% at 60 formula, calculated using the average of three highest years, and will pay the full CalPERS employee contribution.

C. New Members

Employees who qualify as “New Members” as that term is defined by the California Public Employees’ Pension Reform Act of 2013 (“PEPRA”) shall have the benefits that are required by PEPRA, which include, but are not limited to:

1. 2% at age 62 for all new miscellaneous (non-safety) members with an early retirement age of 52 and a maximum benefit factor of 2.5% at age 67;
2. Three (3) years final compensation; and
3. Employee contribution equal to fifty percent (50%) of normal cost and no Employer Paid Member Contributions.

Section 9.02. Impact of Government Regulations on Employee Benefits

The value or availability of the benefits provided in the MOU as originally worded or as amended from time to time may depend on their tax treatment by the state or federal government or the decisions of other government agencies or departments, such as, but not limited to, the Public Employees Retirement System. The City will endeavor to obtain the most favorable treatment legally possible from these other governmental entities. However, the City makes no representation concerning the value of such benefits to unit members or how they will be taxed or otherwise treated by other agencies or departments. The City’s obligations under this MOU are limited to the direct cost of providing the salary and benefits as described in the MOU. The City shall have no additional financial obligation, even if the tax or other treatment of such salary or benefits by other agencies or departments reduces or eliminates their value to the employee. The parties shall meet and confer in the event any statutory regulations are enacted that may potentially impact employee benefits.

**ARTICLE 10: HOURS OF WORK, WORK PERIODS, AND EMPLOYEE CONCESSIONS**

City Hall and Public Works employees shall provide services to the citizenry Monday through Thursday and alternate Fridays. The workweek is defined as 40 hours, which will begin every Friday at what would be mid-way through the employee’s shift on working Fridays.

The parties agree to meet and confer regarding any City proposal to discontinue the 9/80 work schedule, or to change lunch periods. Except in cases deemed to be an emergency by the department head involved, the City may make other schedule changes upon providing thirty (30) days’ notice to employees of the change, prior to implementation.

A. Public Works Employees

Full time Public Works employees work forty (40) hours per workweek, on a 9/80 work schedule.

- B. Employees working a 9-80 alternative work schedule shall be allowed compensatory time off accrual at straight time hours for each holiday hour falling on an off-day Friday; vacation time will accrue on an hourly basis pursuant to an eight hour day; holiday hours will be accrued based on either 8 or 9 hours depending on the day of week the holiday is observed (i.e. Monday through Thursday, 9 hours; Friday, 8 hours).

## ARTICLE 11 : OVERTIME

### Section 11.01. Overtime

The City will compensate eligible employees for hours worked in excess of forty (40) hours in a workweek, at a rate of time and one-half the employee's regular rate of pay. "Hours worked" shall mean only those hours actually worked during the work period. Paid leave time shall not count as hours worked for purposes of determining eligibility for Fair Labor Standards Act (FLSA) overtime.

Authorization by the employee's supervisor must be obtained prior to the working of overtime, except in emergency situations. Compensation for overtime shall be in the form of cash payment or, if requested by the employee and approved by the department head, compensatory time off which shall also accrue at time-and-one-half actual overtime hours worked.

### Section 11.02. Compensatory Time

- A. A maximum of two hundred forty (240) hours of compensatory time may be accrued by each employee. At the discretion of the appropriate department head or supervisor, overtime may be compensated with compensatory time off. Compensatory time off may be used by request filed three (3) days in advance with the appropriate department management official and the time off will not unduly disrupt operations. The Department head or Supervisor will make every effort to comply with the time off wishes of the employee. In the event an employee's request to use compensatory time off is denied by the department head or supervisor, the requested time off will be converted into pay and paid to the employee in the following pay period.
- B. On an annual basis, employees may elect to convert accrued compensatory time off to cash. Such election will be irrevocable, and made in the calendar year prior to the cash-out. Employees may only elect pay in lieu of compensatory time off to be accrued in the following calendar year.

Employees must choose by the last business day of each year to elect or opt out of pay in lieu of compensatory time off for the following year by using the Request for Pay in Lieu of Compensatory Time Off form. Once the request has been submitted, the employee may elect to request their elected cash-out at any point during the subsequent year up to November 15 of each year. If the employee has not initiated the cash-out of the hours by November 15, the remaining hours in the irrevocable election will be automatically paid to the employee in the last paycheck of November.

Employees who did not elect pay in lieu of compensatory time off by the last business day of the prior year will not be able to cash out any compensatory time off in the following calendar year. In the case of an unforeseeable emergency, the requirements and procedures for emergency cash out as described in Section 13.01.B herein shall apply.

All compensatory time off cash outs will be taxed at the supplemental tax rate in accordance with IRS code. If insufficient hours exist to meet the annual pay in lieu election, only the remaining available elected hours will be paid out, not to exceed the above-listed amounts. Compensatory time will be cashed out at the regular rate of pay in effect at the time of payment.

#### Section 11.03. Standby Pay

The City may assign employees in the Public Works Department, who are non-exempt from the overtime requirements of the FLSA, to Standby duty. Standby duty requires that an employee designated by the City be immediately reachable, be able to report to work in a timely manner, and refrain from activities which might impair his/her ability to perform assigned duties. Standby time is not to be construed as work time.

When an employee is assigned to Standby duty by his or her supervisor, the employee shall be paid as follows:

- For each Weekend Day, as defined by the 9/80 schedule (Thursday or Friday 4:00 pm to Monday 7:00 am), employee(s) in the Public Works Department assigned to Standby duty shall be compensated eighty-five dollars (\$85.00) per day, or four dollars and five cents (\$4.05) per hour, as applicable, and
- For each holiday as defined by the personnel rules, employee(s) in the Public Works Department assigned to Standby duty (7:00 am to 7:00 am of the next regular workday), shall be compensated eighty-five dollars (\$85.00) per day, or four dollars and five cents (\$4.05) per hour, as applicable.

If and when the City calls an employee back to work, the employee shall be paid regular hourly pay, and shall not receive standby until the employee returns to standby status. The City will not pay an employee for call back, telephone work, and/or standby pay for the same hours worked.

Employees assigned to Standby duty who are required to respond by phone call or in-person shall not be eligible for minimum Call-Out Pay provided under Section 11.04.

For the hours called back to work an employees assigned to Standby duty during off-duty hours who are required to respond in person or handle phone calls shall receive pay for a minimum of fifteen (15) minutes, and any additional actual time worked rounded up to the nearest fifteen (15) minute increment.

Employees on standby duty must be immediately reachable by phone, and if necessary, must respond on-site within thirty-five (35) minutes. For responses requiring a field presence, the thirty-five (35) minutes will be measured from the initial call to arriving at the Corp Yard to pick up the utility truck and equipment.

The supervisor will assign qualified employees to standby shifts on a rotational basis, and will publish a shift schedule within thirty (30) days of City Council approval of this successor MOU, and no later than November 30<sup>th</sup> for each subsequent calendar year. The goal in scheduling is to equitably distribute standby shifts among employees assigned to standby. The shift schedules are subject to revision by the supervisor as needed.

New employees will be considered for standby duty no sooner than six (6) months from date of hire, or as determined by the supervisor, to allow for adequate training.

Any trading of scheduled or assigned Standby duty time must be approved by the employee's supervisor at least forty-eight (48) hours in advance of the shift. In the event of a personal emergency that requires an employee to cease standby duty, the employee shall let the supervisor know immediately. If the standby employee is required to prematurely end their shift, the rates of the scheduled standby and replacement standby employee will be prorated to the nearest hour.

#### Section 11.04. Call-Out Pay

In the event an employee is called out for emergency duty, the employee will receive compensation at a rate of time and one-half the employee's regular hourly rate, double time on holidays. Call-out shall be compensated at a 3-hour minimum at time and one-half. Call-out time shall be defined as time worked by the employee, which is not an extension of the normal work day or for which the employee has not been notified at least twenty-four (24) hours in advance. Call out shall occur only when there has been a break in service; i.e., the employee has left for the day and is required to return. In addition, weekend work for which the employee has been notified at least twenty-four (24) hours in advance shall not be considered call-out time. Attendance at regularly scheduled meetings held after normal working hours which is recognized as a part of the job duties of an individual employee shall not be recognized as call-out.

### **ARTICLE 12: VEHICLES**

#### Section 12.01. Use of City Vehicles

Employees are to use City vehicles for City work. City liability insurance coverage extends to include use of all City-owned vehicles when the employee is driving the vehicle on City business. Employees shall not use City vehicles for unauthorized purposes. Take home vehicle assignments can be removed at any time at the discretion of the City, not subject to meet and confer.

## **ARTICLE 13: VACATION AND SICK LEAVE ACCRUAL**

### **Section 13.01. Terms of Leave Cash Out.**

- A. Leave Bank: Effective July 1, 2017, the Leave Bank policy described in Section 10 of the City Personnel Rules ceased to be in effect, and employees ceased to accrue Leave Bank hours. Hours already accrued will not be reduced, and may be used or cashed out in accordance with City rules.

Each employee will have the option to request a cash-out of any unused accrued "Leave Bank" hours up to two (2) times per fiscal year. Without exception, a minimum of two (2) weeks advance, written notice to the Administrative Services Department is required for processing all cash-out requests. Compensation for cash-out of unused, accrued leave bank hours will be calculated based on the employee's existing salary at the time the payment is made. Upon revision of the Personnel Rules to address cashable leaves, this Section 13.01.B shall be superceded and replaced in its entirety by the cashable leave provisions in the Personnel Rules.

- B. Vacation: For all employees, regardless of date of hire, up to one year's accrual of Vacation Leave, not to exceed one-hundred (100) hours of Vacation Leave may be cashed out per calendar year as long as the employee maintains at least an eighty (80) hour balance after the cash out. Employees may elect to receive up to a maximum of the above-listed hours of pay in lieu of time off for vacation. Such election shall be irrevocable, and made in the calendar year prior to the cash-out. Employees may only elect pay in lieu for vacation time to be accrued in the following calendar year.

Employees must choose by the last business day of each year to elect or opt out of pay in lieu of vacation time off for the following year by using the Request for Pay in Lieu of Vacation Leave form. Once the request has been submitted, the employee may elect to request their elected cash-out at any point during the subsequent year up to November 15 of each year. If the employee has not initiated the cash-out of the hours by November 15, the remaining hours in the irrevocable election will be automatically paid to the employee in the last paycheck of November.

Employees who did not elect pay in lieu of vacation time off by the last business day of the prior year will not be able to cash out any vacation in the following

calendar year, except as provided below. All vacation cash outs will be taxed at the supplemental tax rate in accordance with IRS code. If insufficient vacation hours exist to meet the annual pay in lieu election, only the remaining available elected vacation hours will be paid out, not to exceed the above-listed amounts.

In the event an employee is faced with an “unforeseeable emergency” as described below, they may be eligible to receive a hardship cash-out of vacation leave, without electing the cash-out in the prior year as required above. In order to receive a hardship cash-out, the employee must establish and substantiate that he or she has suffered a severe financial hardship resulting from an illness or accident suffered by the employee or employee’s dependent, a loss of his or her property due to casualty or severe weather or other similar extraordinary and unforeseeable circumstance beyond the control of the employee. An “unforeseeable emergency” does not include situations such as the need to send a child to college, to purchase a home, funeral expenses for a non-dependent adult child, debt not incurred due to any extraordinary or unforeseeable circumstances beyond the employee’s control.

An employee may only be eligible to receive a financial hardship cash-out of vacation leave to the extent the unforeseeable emergency is not or may not be relieved through insurance reimbursement or assets available to the employee that would not cause a severe financial hardship.

The amount of any financial hardship vacation cash-out due to unforeseeable emergencies shall not exceed one hundred (100) hours.

The Administrative Services Director shall provide recommendations to the City Manager regarding eligibility for and distribution of leave hours from an employee’s available vacation leave balance based on this policy. The City Manager shall make the final determination on all matters related to the City’s vacation cash-out for financial hardships.

To apply for a hardship cash-out of vacation leave, employees shall complete the Vacation Cash-out Due to an Unforeseeable Emergency Application available from the Human Resources Department.

1. If an employee is eligible for longevity pay under Section 7.02, subsection B of the MOU, vacation cash out shall include the value of applicable longevity pay.
2. An employee must be in pay status or on an approved leave to exercise this option.
3. Sick leave may not be cashed out during employment or upon separation.
4. Upon reaching the vacation accrual cap specified below, employees will cease to accrue vacation until such time that they reduce accrued vacation hours below the cap.

Section 13.02. Accrual.

In lieu of the Leave Bank, the City will provide vacation, floating holidays, and sick leave as follows:

A. For employees hired before January 16, 2011:

<b>Time in Service</b>	<b>Sick Leave Accrual Per Year</b>	<b>Sick Leave Accrual Per Month</b>	<b>Vacation Accrual Per Year</b>	<b>Vacation Accrual Per Month</b>	<b>Vacation Accrual Cap</b>
More than 10 Years (3,651 + Days)	96	8	216	18	432

B. For employees hired on or after January 16, 2011:

<b>Time in Service</b>	<b>Sick Leave Accrual Per Year</b>	<b>Sick Leave Accrual Per Month</b>	<b>Vacation Accrual Per Year</b>	<b>Vacation Accrual Per Month</b>	<b>Vacation Accrual Cap</b>	<b>Floating Personal Holidays</b>
One to Three Years (Start date – 1,825 Days)	96	8	80	6.66	160	3
Three to Five Years (1,095 – 1,825 Days)	96	8	80	6.66	160	4
Six to Ten Years (1,826 – 3,650 Days)	96	8	120	10	240	3
More than 10 Years (3,651 Days +)	96	8	160	13.33	320	2

Employees hired on or after January 16, 2011 shall also receive floating “personal” holidays per fiscal year, and all employees shall accrue a third floating “personal” holiday after 1,095 days of continuous and satisfactory service in accordance with Section 10 of the Personnel Rules. The total number of floating “personal” holidays are indicated in the table above. Each personal holiday shall be worth 9 hours of paid leave. Any unused balance of floating “personal” holiday leave available as of 12:00 midnight, June 30th, shall be forfeited. Accrued, unused floating holiday leave shall have no cash value and shall not be subject to cash out during or upon separation from employment. The Association expressly waives any rights to vested leave provided under California Labor Code section 227.3 for administrative leave provided under this section.

### Section 13.03 Vacation Purchase Plan

Effective January 1, 2016, full time employees with less than four (4) years of service may purchase up to forty (40) hours of vacation per year in one-hour increments. Purchased vacation will be allocated on a pay period basis based on amount purchased, and cannot be used before allocated.

Eligible employees may enroll in the Vacation Purchase Plan in December for the following calendar year. Once enrolled, the employee must remain in the plan for the remainder of the calendar year of the elected purchase.

Use of vacation time requires approval of the employee's supervisor and must be used in accordance with the City's vacation policies and procedures.

Purchased vacation can only be used after the employee's regular accrued vacation time for the calendar year has been exhausted, and must be used before the end of the calendar year.

Unused vacation time will be refunded to the employee at the end of the calendar year at the rate at which purchased, and subject to taxation in accordance with IRS regulations.

Vacation purchase will cease upon unpaid leave or separation of employment. Hours purchased but not used will be cashed out at the rate of purchase.

### ARTICLE 14 : WORK DISRUPTION

It is agreed and understood that there will be no strike, work stoppage, slowdown, refusal, or failure to fully and faithfully perform job functions and responsibilities, or other interference with the operations of the City by employees represented by the CEA during the term of this MOU, including compliance with the request of other labor organizations to engage in such activity.

It is agreed and understood that any employee violating this Article may be subject to discipline up to and including termination. It is understood that in the event this Article is violated, that in addition to any other legal remedies available to it, the City shall be entitled, consistent with applicable law, to withdraw any rights, privileges, or services provided for in this MOU or in City rules from any employee, if the employee violates the terms of this MOU, and/or the Association, if the Association violates the terms of this MOU. It is agreed that the City shall institute no lockout of employees during the term of this MOU, unless such work disruptions occur.

### ARTICLE 15: REQUIRED CERTIFICATIONS

The City will reimburse the employee's cost after successful completion of a training course, materials and testing for any certification required in that employee's position description. The reimbursement will only be made after the certificate has been obtained.

The City is not required under the FLSA to compensate employees for specialized training time spent to obtain or maintain a certification required by the law of a higher governmental agency. Nor is the City required to count this time as hours worked.

## **ARTICLE 16: EFFECT OF AGREEMENT**

### **Section 16 01. Full Understanding.**

This amended Memorandum of Understanding sets forth the full and entire understanding of the parties regarding the matters set forth herein. It supersedes all other Memoranda of Understanding and agreements between the parties. Any other prior or existing understanding or agreements by the parties, whether formal or informal, regarding any such matters are hereby superseded or terminated in their entirety.

### **Section 16.02. Waiver.**

Except as specifically provided herein, it is agreed and understood that the Cotati Employees Association voluntarily and unqualifiedly waives its right to and releases the City from any obligation to meet and confer on any subject or matter contained herein. The Cotati Employees Association acknowledges that the City has fulfilled its obligations under Government Code Section 3505 for the term of the agreement.

### **Section 16. 03. Modifications.**

No agreement, alteration, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall in any manner be binding upon the parties hereto, unless made and executed in writing by the parties hereto, and if required, approved and implemented by the City Council.

### **Section 16.04. Future Enforcement.**

The waiver of any breach, term, or condition of this Memorandum of Understanding by either party shall not constitute a precedent or waiver in the future enforcement of all or any of its terms and provisions.

## **ARTICLE 17 : TERM**

This Memorandum of Understanding shall be effective upon Association ratification and City Council adoption of this agreement, and will expire on June 30, 2026.

