

**AGREEMENT BETWEEN
THE HOUSING AUTHORITY OF THE COUNTY OF MERCED**

AND

**LOCAL 2703, AMERICAN FEDERATION OF STATE, COUNTY AND
MUNICIPAL EMPLOYEES, AFL-CIO**

Table of Contents

PREAMBLE	6
ARTICLE 1 - RECOGNITION.....	6
ARTICLE 2 - DUES AND UNION SECURITY	6
ARTICLE 3 - EMPLOYMENT	7
Section 1: Recruitment.....	7
Section 2: Definitions	8
Section 3: Closed Recruitment	8
Section 4: Temporary Appointments	8
Section 5: Initial and Promotional Probation Periods	9
Section 6: Status and Evaluations During Probation Periods.....	9
A) Evaluations During Probationary Periods.....	9
B) Dismissal/Rejection During Probationary Period.....	9
C) Extensions to Probationary Periods.....	10
D) Successful Completion of Probation.....	10
Section 7: Employee Records	10
Section 8: Voluntary Resignation/Separation and Automatic Resignation from Service	10
A) Voluntary Resignation/Separation.....	10
B) Automatic Resignation from Service.....	11
Section 9: Duty to Consult.....	11
ARTICLE 4 – MANAGEMENT RIGHTS	11
ARTICLE 5 - NO INTERFERENCE; NO LOCKOUT	11
Section 1: No Interference	12
Section 2: No Lockout.....	12
ARTICLE 6 – NON-DISCRIMINATION	12
ARTICLE 7 - UNION STEWARDS AND REPRESENTATIVES	12
Section 1: Stewards	12
Section 2: Union Access.....	13
ARTICLE 8 - GRIEVANCE AND ARBITRATION PROCEDURE.....	13
Section 1: Statements Of Intent	13
Section 2: Definitions	14
Section 3: Grievance Procedures.....	14
ARTICLE 9 - DISCIPLINE AND DISMISSAL.....	16
Section 1: Scope & Purpose.....	16
Section 2: Discipline.....	17

Section 3: Written Reprimand.....	17
Section 4: Reduction In Pay.....	17
Section 5: Suspensions.....	17
Section 6: Dismissal.....	17
Section 7: Conduct That May Result In Disciplinary Action.....	18
Section 8: Notice of Proposed Discipline, Disciplinary Action and Appeal Procedure.....	18
Section 9: Inapplicability To Probationary Employees.....	19
ARTICLE 10 - TRANSFERS, LAYOFFS & RECALL.....	20
Section 1: Transfers.....	20
Section 2: Layoff & Recall.....	20
A. Layoff & Reduction In Force:.....	20
B. Maintenance Of Eligibility Lists, Seniority, And Procedures For Recall:.....	22
C. Benefits Upon Reinstatement Following A Reduction In Force:.....	23
ARTICLE 11 - SENIORITY.....	23
Section 1: Definition.....	23
Section 2: Accrual Of Seniority.....	23
Section 3: Loss Of Seniority.....	24
Section 4: Probationary Employees.....	24
Section 5: Promotion.....	24
Section 6: Seniority Lists.....	25
ARTICLE 12 - ANNUAL LEAVE.....	25
Section 1: Accrual.....	25
Section 2: Scheduling.....	26
Section 3: Annual Leave Cash-Out.....	26
Section 4- Payment At Termination.....	26
ARTICLE 13 - SALARIES.....	26
Section 1: Basic Salary Schedule.....	26
Section 2: Increases Within Range.....	27
Section 3: Effective Date Of Change.....	27
Section 4: New Or Changed Classifications.....	27
Section 5: Re-Employment.....	28
Section 6: Method Of Computing Hourly Wage.....	28
Section 7: Out of Class Pay.....	28
Section 8: Uniforms.....	28
ARTICLE 14 - ADDITIONAL COMPENSATION.....	29

Section 1: Longevity Pay	29
Section 2: On-Call Pay	29
Section 3: Call-Back Pay	30
Section 4: Mileage Allowance	30
Section 5: Overtime Meal Allowance	30
Section 6: Employee Medical Allowance & Employer-Paid Insurance Premiums	30
A. Medical Insurance	30
B. Dental Plan	31
C. Vision Insurance	31
D. Life Insurance	31
E. Retiree Medical Insurance	31
Section 7: Flexible Spending	32
Section 8: Retirement Benefits	32
A. CalPERS Retirement Plan	32
B. Deferred Compensation Plan	33
ARTICLE 15 - Sick Leave And Disability Compensation	33
Section 1: Sick Leave	33
Section 2: Illness In The Immediate Family	34
Section 3: Fraction Of A Day	34
Section 4: Personal Necessity Leave	34
Section 5: Accumulation	34
Section 6: Use Of Sick Leave While On Vacation	35
Section 7: Disability Compensation And Benefits	35
Section 8: Catastrophic Leave Donations	35
ARTICLE 16 - Leave Of Absence	36
Section 1: Criteria	36
Section 2: Requests	37
Section 3: Accumulated Sick And Annual Leave	37
Section 4: Health And Dental Payments	37
Section 5: Replacement And Transfers	37
Section 6: Pregnancy Disability Leave	37
Section 7: Family Medical Leave Act	38
ARTICLE 17 – Occupational Injury Compensation And Benefits	38
ARTICLE 18 - Bereavement Leave	38
ARTICLE 19 - Court Leave	39

ARTICLE 20 - Military Service Leave	39
ARTICLE 21 - Rest And Meal Periods	40
ARTICLE 22 - Hours Of Work And Holidays	40
Section 1: Work Hours.....	40
Section 2: Holidays Worked	40
Section 3: Holidays Observed	41
Section 4: Holiday During Vacation	41
Section 5: Probationary Employees	42
Section 6: Part-Time Employees.....	42
ARTICLE 23 - Annual Leave And Wages In Case Of Death	42
ARTICLE 24 - Bulletin Boards	42
ARTICLE 25 - Work Rules	43
ARTICLE 26 - Political Activity By Employees.....	43
ARTICLE 27 - Impasse Procedures	44
ARTICLE 28 - Savings Clause	44
ARTICLE 29 - Term Of Contract/Termination	45
ARTICLE 30 - Labor Management Committee	45

PREAMBLE

WHEREAS the Housing Authority of the County of Merced, (hereinafter referred to as "HACM", "the Employer", or "the Agency"), and Local 2703, American Federation of State, County and Municipal Employees, AFL-CIO, (hereinafter referred to as "AFSCME" or "the Union"), had previously entered into a Memorandum of Understanding in effect through September 30, 2009; and,

WHEREAS the Employer and Union had previously entered into an extension of the Memorandum of Understanding set to expire on September 30, 2009 through September 30, 2011; and,

WHEREAS the Employer and Union subsequently entered into a further extension of the Memorandum of Understanding set to expire on September 30, 2011 through September 30, 2014; and,

WHEREAS the Employer and Union subsequently entered into a successor Memorandum of Understanding that expired on January 31, 2017; and,

WHEREAS the Memorandum of Understanding that expired on January 31, 2017 contained an express provision that it shall continue both during the period of negotiations over a successor MOU, and until notice of termination of the prior MOU is provided to the other Party; therefore,

THE PARTIES AGREE, upon ratification of the following new Memorandum of Understanding, that negotiations have been completed; all prior Memoranda of Understanding have ended and are superseded by this new MOU upon execution of this successor Memorandum of Understanding by all Parties.

This Memorandum of Understanding has, as its purpose, the promotion of harmonious relations between the Employer and the Union; the establishment of an equitable and peaceful procedure for the resolution of differences; and the establishment of rates of pay, hours of work, and other conditions of employment.

ARTICLE 1 - RECOGNITION

Local 2703, AFSCME shall represent all regular and probationary employees of HACM, except those exempted by this contract, for the life of this agreement.

ARTICLE 2 - DUES AND UNION SECURITY

HACM agrees, upon notification in writing by an employee, to deduct monthly union dues from the employee's paycheck on a bi-weekly basis coinciding with the scheduled payroll periods, and to forward said dues once each month to the Union with an itemized statement therefor. The Union shall notify Employer at least one (1) month in advance of the effective date of any change in the amount of said dues.

At the time a new regular employee is hired who will be subject to this agreement, the Employer shall deliver to the employee a written notice stating that HACM acknowledges the Union as an Agency shop as defined under the Meyers-Milias-Brown Act, Section 3502.5. The employee shall then make application for membership to the Union within thirty (30) days following their date of employment. Any employee having religious objections to the payment of Union dues or service fee, must use the definition set forth in the Meyers-Milias-Brown Act, Section 3502.5, and shall comply with this section by showing evidence of a contribution of a like amount to a charity of their choice.

All employees covered by this agreement who are not already Union members, shall make application for membership within one (1) month following the Union agreement. However, membership shall not be compulsory. The employee has the right to become a member or pay to the Union, each month through payroll deduction, a service charge as a contribution toward the administration of this agreement in an amount equal to the regular monthly dues, known as an agency fee.

Regular part-time employees will pay Union dues in direct proportion to the hours worked within a pay period. Any employee who regularly works at least twenty (20) hours or more per week, and less than forty (40) hours per week, shall be considered a regular part-time employee.

Any employee belonging to a bona-fide religion, body, or sect, which traditionally has held conscientious objections to joining or financially supporting public employee organizations by payment of Union dues or the service fee shall, to comply with this section, show evidence of contribution of a like amount to a charity of his/her choice from a list to be established from a vote of the membership.

The requirement of either membership in the Union, agency fee or contribution to a charity is required of the following employee classifications that are within the bargaining unit (all HACM employee classifications not listed here are not included in the bargaining unit):

Accounting Technician Receptionist HCV Lead Worker Eligibility Specialist Administrative Clerk Migrant Aide Migrant Center Manager Year-Round Housing Complex Manager Development Technician Lead Foreman Maintenance Worker

The Union will indemnify, defend and hold the Employer harmless against all claims, demands, expenses, judgments, or other liability on account of dues collected by the Employer pursuant to Article 2, and paid over to the Union. The Union agrees to refund to the Employer any amounts paid to it in error upon presentation of proper evidence thereof.

ARTICLE 3 - EMPLOYMENT

Section 1: Recruitment

The purpose of recruitment is to assure that interested persons are informed, and qualified persons are attracted to compete for employment opportunities. Job openings and examinations will be publicized to the maximum extent necessary to assure equal employment opportunities. In recognition of the intent to recruit the most qualified individuals, the following internal recruitment process will be utilized in conformance with other applicable regulations, procedures and policies relating to the recruitment and selection of employees, for promotional opportunities with HACM.

Section 2: Definitions

The following definitions shall be utilized within this agreement:

FULL-TIME, REGULAR EMPLOYEE: An employee who occupies an allocated position; has successfully completed an initial probationary period, and is assigned a regular 40-hour workweek.

PART-TIME, REGULAR EMPLOYEE: An employee who occupies an allocated position; has successfully completed an initial probationary period, and is assigned a regular work schedule of less than 40 hours per week.

PROMOTION: A competitive appointment of an employee to a position which is outside of their current classification and/or job series, and which may involve increased authority.

RECLASSIFICATION: A non-competitive appointment of an employee to a position for which they are presently satisfactorily demonstrating the listed necessary knowledge, skills and abilities to perform within the job classification. Reclassifications shall be in accordance with current Employer procedures.

JOB SERIES: A job series is a progression between positions within a classification which have similar minimum qualifications and where the primary difference is the number of years of experience required. Upward progression through a series shall also be subject to satisfactory demonstration of the listed necessary knowledge, skill and abilities to perform within a job classification.

Section 3: Closed Recruitment

Closed competitive recruitment shall be utilized for all positions where a qualified applicant pool may exist among HACM employees, exclusive of positions within a designated job series.

The Human Resources Department will prepare a notice of vacancy to be sent to each department for posting. The recruitment shall be open a minimum of five (5) working days. All interested employees must file a statement of qualifications with the Human Resources Department on or before the closing date. Employees may then be interviewed and tested if necessary, and if it is determined that they meet the posted job requirements, a successful candidate will be elected from among the qualified applicants.

In the event that no applications are received from employees at the expiration of the posting period, or if no qualified candidates are determined, the Employer shall then proceed to open or public recruitment in accordance with Agency policies and procedures.

Seniority shall be determinative for selection of a successful candidate only if all other job criteria are relatively equal.

Section 4: Temporary Appointments

Appointments or transfers may be made to temporarily fill a permanent position or a position which is not expected to become permanent. Temporary appointments are for a period of not less than two

consecutive pay periods and shall not extend beyond 365 consecutive calendar days. A temporary appointment is the continuous full time assignment of performing the full range of the essential, significant, and distinguishing job functions of the temporary position. Employer shall determine interest among employees by requesting a Statement of Interest for the position, utilizing the criteria contained in Article 3, Section 3, except for the provision to proceed to open or public recruitment.

Employer will make reasonable efforts to equally rotate the temporary assignment among the top three interested and most qualified individuals during the term of the temporary appointment. If less than three individuals are interested and/or are not qualified for the temporary assignment it shall be within Employer's discretion as to the method of rotation and/or whether rotation will occur. Determination of individuals most qualified shall be within Management's discretion. Regular employees temporarily assigned to such positions shall be returned to their previous classification and salary step upon completion of the temporary appointment. Regular employee seniority status quo shall be maintained within their department unit. Out of class pay is set forth in Article 13, Section 7 (following).

Section 5: Initial and Promotional Probation Periods

All employees newly hired by and appointed to permanent positions shall serve a probationary period of one (1) year from the date of permanent appointment to the class.

All employees who are promoted from within the ranks of HACM, or reclassified shall serve a promotional probationary period of six (6) months from the date of permanent appointment to the new class.

Any employee appointed to a previously held classification from a re-employment list shall not commence a new probationary period; however, such employee is subject to the provisions of this Article that extend a probationary period that had not been completed (prior to the layoff/reduction in force that resulted in their placement on the re-employment list).

The probationary period shall be regarded as part of the recruitment/selection process.

Section 6: Status and Evaluations During Probation Periods

A) Evaluations During Probationary Periods.

All employees serving a probationary period shall have their performance evaluated regularly. Each evaluation shall cover a two-month evaluation period commencing from the first day of probation. Evaluations shall be completed and a copy provided to the employee approximately each sixty (60) days.

B) Dismissal/Rejection During Probationary Period.

Employees serving an initial 12-month probationary period may be dismissed from employment, without cause and without right to a hearing or appeal, at any time during the probationary period. Employees serving a six (6) month promotional probation period may be rejected from probation in the new classification, without cause and without right to a hearing or appeal. If an employee is rejected from probation during a promotional probation period, that employee shall be returned to their previously held position (held prior to promotion or reclassification), provided they had successfully completed their probationary period (initial or promotional) in that previously held classification.

C) Extensions to Probationary Periods.

Any single or cumulative period of absence from work, with or without leave, of 120 hours or more shall automatically extend the probationary period by the cumulative duration of the absence. In addition, the Employer may extend any initial probationary period for up to an additional 90 days, if, in their discretion, additional time is needed to fully evaluate or address specific job performance concerns.

D) Successful Completion of Probation.

Upon successful completion of the probationary period, an employee shall become a regular employee in that classification. All probationary employees shall receive a salary step increase upon successful completion of their probationary period.

Section 7: Employee Records

A complete, separate personnel file shall be maintained for each regular employee. The employee file shall contain all pertinent employment forms and records; annual evaluations; written communications; written reprimands, and all other records and materials deemed necessary by practice, audit, law or policy.

Such records shall be maintained as confidential except for those specific records which are deemed as "public record." Employees shall have access to their personnel file upon request to the Human Resources Officer. Such access shall conform to the existing policies of the Employer. Employees shall have access and the right to inspect or copy any notes or documents on which the employer relied within a disciplinary action or performance evaluation.

Employees may formally request the selective removal of records from their personnel file regarding the following:

1. Written reprimands more than three (3) years old.
2. Other items not specifically identified above which are not required by policy, practice, law or audit.

Requests for removal of such records shall be in writing, identifying the specific records to be removed.

Section 8: Voluntary Resignation/Separation and Automatic Resignation from Service

A) Voluntary Resignation/Separation

Any employee may resign from employment, in writing. Such resignation shall be deemed to be a voluntary resignation and such shall be noted as the reason for separation in that employee's personnel file. Employees resigning in this manner are requested, when possible, to provide at least two (2) weeks' notice prior to their last workday. If requested by the employee, the employer shall conduct an exit interview. The employer may also request an exit interview; however employee participation in such interview shall be voluntary. An employee wishing to rescind the resignation may do so in writing within 24 hours from when the resignation was submitted.

B) Automatic Resignation from Service

Any employee who is absent for three consecutive workdays or more, without notifying the employer of a need for the absence supported by appropriate documentation, or without authorization, whether with or without leave, may be deemed to have abandoned and automatically, voluntarily resigned from their employment with the Authority. Any such automatic resignation shall be automatically accepted by the employer, and become effective, at the end of the regularly scheduled workday on the third day of absence. Prior to the third day of absence, the employer shall attempt to contact the employee at their residence and through any emergency contact information provided by the employee

An employee deemed to have automatically resigned shall be provided with notice of the automatic resignation via certified mail and shall have five (5) workdays to provide a response. In the event an employee provides such a response, the employer shall consider said response and determine whether, in the employer's sole discretion, the automatic resignation should be permitted to be rescinded. The employer's decision regarding rescinding an automatic resignation shall not be subject to further appeal.

Nothing in this section shall preclude the Authority from proposing or taking disciplinary action against an employee for any period of unauthorized absence from work.

Section 9: Duty to Consult

Prior to a change in the scope or configuration of any HACM represented position currently listed on the position allocation schedule, HACM agrees to notify the Union at least 90 days in advance of any anticipated change, and to discuss any potential concern which may be inclusionary under the Meyers-Milias-Brown Act.

ARTICLE 4 – MANAGEMENT RIGHTS

Notwithstanding any of the items agreed to herein, nothing in this Memorandum of Understanding is intended to limit the management rights of the Employer, including, but not limited to the following:

1. Direct the work of its employees;
2. Hire, discharge, promote, demote, transfer, assign, and classify employees; to lay off employees for lack of work or funds; to assign work; to establish safety and other rules governing the operation of the Employer and the conduct of the employees. Nothing is intended in this Article to conflict with the other Articles of the contract.
3. Discipline employees for proper cause;
4. Take actions as may be necessary to carry out the mission of the Employer in emergencies;
5. Determine the methods, means and personnel by which operations are to be carried on;
6. Determine the budget, organization, merits, necessity and level of any activity or service provided to the public.

ARTICLE 5 - NO INTERFERENCE; NO LOCKOUT

Section 1: No Interference

The Union and its officials will not, directly or indirectly, take part in any action against, or any interference with, the operations of the Employer during the term of this agreement.

Section 2: No Lockout

The Employer shall not conduct a lockout of its employees during the term of this agreement.

ARTICLE 6 – NON-DISCRIMINATION

The Employer will not interfere with or discriminate in any way against any employee by reason of their membership in, or activity required by this agreement, nor will the Employer discourage membership in the Union.

The Union, in turn, recognizes its responsibility as the bargaining agent, and agrees to represent all Union member employees without discrimination, interference, restraint or coercion. The terms of this agreement shall be applied equally to all Union member employees, without discrimination as to age, sex, marital status, religion, race, color, creed, national origin, ancestry, mental or physical disability, sexual orientation, gender, gender identity, gender expression, pregnancy, military or veteran status, genetic information or political affiliations.

The Union shall share equally with the Employer in the responsibility for applying this provision of the agreement.

ARTICLE 7 - UNION STEWARDS AND REPRESENTATIVES

The Employer recognizes and agrees to deal with the accredited Union stewards and representatives of the Union in all matters relating to grievances and the interpretation of this agreement. This specifically includes the Chapter board. The makeup of the Chapter board shall consist exclusively of regular employees of HACM who are Union members and the Union Business Agent. Except for the Business Agent, no non-employee shall be considered as a part of the Chapter board. The Union shall provide the Employer with a list of those members who are on the Chapter board on an annual basis.

A written list of the officers of the Union, and the Union stewards and the specific areas they represent, shall be furnished to the Employer immediately after their designation, and the Union shall notify the Employer promptly in writing of any changes of such Union officers or stewards.

Section 1: Stewards

The number of Union stewards shall not exceed four (4). Any change in the number of stewards shall be made by written consent of both parties to this agreement. Stewards shall be granted reasonable time during the workday to address representational issues.

Section 2: Union Access

Upon request to the Executive Director or his/her designee, a representative of the International and/or Local 2703 who represents an employee may visit HACM offices at a time mutually agreeable to both parties for the purpose of consultation. During such visits, the representatives may inspect any area pertinent to the subject of the consultation.

A representative of the Employer, at its option, may accompany the parties. In addition, the representatives and the Union President, or his designated representative, may privately interview employees, one at a time, in possession of facts relevant to the consultation. The interviews shall be held at a place provided by the Employer for a reasonable period of time.

During such visits, representatives shall not in any way interfere with the orderly and efficient operation of the HACM workplace.

ARTICLE 8 - GRIEVANCE AND ARBITRATION PROCEDURE

Section 1: Statements of Intent

It is the intent of the parties to this agreement to anticipate and diminish cause of grievances, and to settle any which arise at the lowest practical level of supervision as fairly and promptly as possible. The purposes and objectives of a grievance procedure should include the following:

1. Promote improved employer-employee relations by establishing grievance procedures on matters for which appeal or hearing is not provided by other regulations.
2. Assure fair and equitable treatment of all employees, supervisors and management.
3. Allow employees a systematic means of obtaining further consideration of problems after every other reasonable effort has failed to resolve them through discussions.
4. Encourage the settlement of disagreements informally at the employee- supervisor level, and provide an orderly procedure to handle grievances throughout the supervisory levels where necessary.
5. Resolve grievances as quickly as possible, and correct, if possible, the causes of grievances thereby reducing the number of grievances and future similar complaints.
6. Provide that grievances shall be settled as near as possible to the point of origin.
7. Provide that grievances shall be heard and settled as informally and timely as possible.

Section 2: Definitions

For the purpose of this grievance procedure, the following definitions shall apply:

GRIEVANCE: Any dispute between (a) the parties of this agreement, or (b) the Employer and the employee or employees with respect to the meaning, interpretation, application or working conditions, policies, written rules or work-related occurrences, which are within the scope of representation.

DIRECTOR: The Executive Director of HACM or his/her designated representative.

IMMEDIATE SUPERVISOR: The individual who assigns, reviews and directly supervises the routine work of an aggrieved employee.

DEPARTMENT DIRECTOR: The management person designated by the Executive Director to have administrative and fiduciary responsibility for a specific agency department.

CHAIN OF COMMAND: A progressive, structured interaction with designated supervisorial and managerial staff, beginning with the employee's immediate supervisor and continuing in an identifiable recourse of management personnel of increasing jurisdiction and authority, ultimately resulting in direct access to a Department Director or Director of the agency.

UNION REPRESENTATIVE: Any person who is authorized to officially represent the local Union bargaining unit, including employee Union stewards.

EMPLOYER: Refers to the HACM.

UNION: Refers to the American Federation of State, County and Municipal Employees, Local 2703, AFL-CIO.

UNION CHAPTER BOARD: A Chapter board shall be recognized as an authorized Agent of the Union, and shall consist exclusively of regular employees of HACM who are Union members, as well as the Union Business Agent.

Section 3: Grievance Procedures

Upon request of the aggrieved employee, a steward or Union officer may investigate the specified grievance, and assist in its presentation. The aggrieved employee shall be allowed reasonable time during working hours without loss of time or pay for such activity, subject to prior notification and approval of their immediate supervisor and with the concurrence of the Executive Director or his/her designee.

Employees may have the assistance of a Union Steward at all stages of the Grievance Procedure. The aggrieved employee and his or her Steward shall not suffer a loss of pay or benefits while meeting with management during the presentation of a grievance or any formal processes under this section. Grievance meetings involving more than one grievant, and where more than one grievant wishes to attend, shall be scheduled at such a time as not to interfere with the operation of the Authority. The Employer and Union agree that employer-paid employee participation in grievances affecting more than

one employee shall be limited, at all stages of this grievance procedure, only to the minimum number of employees necessary to present the issue(s) (duplicative participation will be avoided.) Grievances will be processed in the following manner and within the stated time limits (time limits are jurisdictional):

Step 1 - Informal Procedure:

Informal grievances shall be presented orally or in writing to the immediate supervisor within ten (10) working days following the occurrence of events on which the grievance is based, or within ten (10) working days from when the affected employee knows or should have known about the facts and causes giving rise to the grievance. The supervisor shall deliver an official response to the employee within five (5) working days from the date the grievance was presented to him/her by the employee as a grievable matter. This informal discussion should be pursued as far as possible toward the resolution of the grievance at this preliminary level before proceeding to the formal grievance procedure. A grievance that is of such a nature it cannot be resolved at the Informal level shall be elevated to the level where resolution can be reached.

If no response is received, or if the aggrieved employee is dissatisfied with the response, he or she may appeal the response through Step 2 – Formal Grievance Procedure Appeal to Department Head.

Step 2 – Formal Grievance Procedure, Appeal to Department Head:

If an employee and his/her immediate supervisor cannot reach an agreement as to a resolution of the grievance, or the aggrieved employee has not received a written decision from their immediate supervisor within the aforesaid five (5) working day limit, the aggrieved employee shall, within five (5) working days, present their grievance in writing, specifying the subject of the grievance, and their requested resolution or mitigation of the grievance situation, dated and signed, to the Department Head. The Department Head shall schedule a meeting with the aggrieved employee, and the aggrieved employee's representative at a mutually agreed upon location and time to discuss the grievance. Within five (5) working days after the filing of the appeal; or within five (5) working days after the meeting, if held; the Department Head shall give his/her written decision to the aggrieved employee.

If no response is received, or if the aggrieved employee is dissatisfied with the response, he or she may appeal the response through Step 3 – Formal Grievance Procedure, Appeal to Executive Director.

Step 3 – Formal Grievance Procedure, Appeal to Executive Director:

If the aggrieved employee and the Department Head cannot reach a mutually-acceptable resolution of the grievance, or the employee has not received a decision from the Department Head within the timeframes provided for in Step 2, the employee may, within five (5) working days, present his/her grievance in writing to the Executive Director. The grievance shall be presented to the Executive Director or his/her designated representative, along with all pertinent written materials to date.

Within ten (10) working days of the receipt of such grievance, the Executive Director or his/her designated representative, shall arrange a meeting with the aggrieved employee and their representative, at a mutually agreeable location and time, to discuss the grievance. The Executive Director or his/her designated representative will issue a written decision within ten (10) working days following the date the grievance is filed at Step 3 or within ten (10) working days following the aforesaid meeting, if held, whichever is later.

If no response is received, or if the aggrieved employee is dissatisfied with the response, he or she may appeal the response through Step 4 –Appeal to Arbitration.

Step 4 – Appeal to Arbitration:

Appeals to Arbitration for grievances or disciplinary actions shall be submitted in writing within five (5) working days after the Executive Director's response, or response of the "Skelly" officer is given.

Within five (5) working days after the filing of such appeal, the Authority shall request a list of seven (7) neutrals from the California State Mediation and Conciliation Service (CSMCS). Any fee for such list will be borne equally between the Parties. The Parties may agree on an Arbitrator, but if no agreement is reached, each party shall in turn cross off one (1) name on the list. The order of striking shall be initially determined by the toss of a coin, and alternated in subsequent selections. The final name left on the list shall be selected to hear the case. At the arbitration hearing, the aggrieved employee may be accompanied by the Union representatives of his or her choice, which may include but are not limited to the steward, the Business Agent and the Union's legal counsel.

Both the aggrieved employee and the Employer have the right to present documents and other evidence, and call, and cross-examine witnesses. Formal rules of evidence shall not apply, however all evidence must be relevant and may not be the subject of a protected privilege, such as attorney-client privilege. The decision of the Arbitrator shall be in writing and shall be final and binding on both parties.

The Arbitrator shall have no authority to add, to delete, or alter any provision of this agreement, but shall limit his/her decision to the scope, application and interpretation of the provisions of this agreement, and shall make no decision in violation of existing law.

The fees and expenses of the Arbitrator and Court Reporter shall be shared equally by both parties hereto. In case of a grievance involving any money claim against the Employer, no award shall be made by the Arbitrator which shall allow any alleged accruals prior to the date when such grievance shall have been presented to the Employer in writing except in the case whereby the employee or Union, due to lack of knowledge, could not know prior to that date that there were grounds for a claim. In such cases, retroactive claims shall be limited to a period of sixty (60) calendar days prior to the date the claim was first filed in writing.

ARTICLE 9 - DISCIPLINE AND DISMISSAL

Section 1: Scope & Purpose

The Union and Employer recognize that both the Employer and employees share in the responsibility for keeping their respective departments operating in a safe, efficient, effective and orderly manner. Both the Union and the Employer also recognize that certain types of conduct jeopardize the safe, efficient, effective and orderly operation of the HACM.

Section 2: Discipline

Formal disciplinary action or measures shall include only the following:

1. Written reprimand
2. Reduction In Pay
3. Suspension
4. Dismissal

Any disciplinary action against an employee shall be done in a manner that will not embarrass the employee before other employees or the public.

In any meeting, interview or other pre-disciplinary proceeding in which the employee reasonably believes that questioning could lead to disciplinary action; or at any stage of disciplinary proceedings after Notice of Intent to impose a disciplinary action is issued to an employee; such employee has the right to be accompanied by a representative of their own choosing. It is solely the employee's obligation to request representation, if desired.

Section 3: Written Reprimand

If the Employer finds that an offense is not serious enough for suspension or other formal action(s), a written reprimand may be given to the employee. A written reprimand is a formal, written communication to an employee from a supervisor. All written reprimands will be clearly identified as such; will be signed by both the employee and the supervisor, and will be placed in the employee's personnel file. The employee may file a rebuttal to the reprimand within seven (7) working days of signing, which will be attached to the reprimand in the employee's personnel file.

Section 4: Reduction In Pay

A reduction in pay may be assessed against an employee where such a sanction is deemed appropriate by either of the following:

1. Reducing the employee one (1) or more steps within a salary range, or:
2. Reducing the compensation paid to an employee for a fixed period of time for disciplinary purposes.

Section 5: Suspensions

Any employee may be suspended without pay for disciplinary purposes for one or more causes per Section 7 of this Article.

Section 6: Dismissal

Dismissal is the permanent separation of an employee from active employment status with HACM. Two (2) weeks' notice for dismissal must be given by the Executive Director or the Director's representative.

Section 7: Conduct That May Result In Disciplinary Action

Any regular employee may be suspended, subject to dismissal, for one (1) or more of the following causes:

1. Violation of any of the Employer's rules, regulations and policies;
2. Incompetency;
3. Dishonesty;
4. Insubordination;
5. Inexcusable absence without leave;
6. Refusal or repeated failure to perform the normal and reasonable duties of the position;
7. Immorality;
8. Conviction of a felony or of any crime involving moral turpitude;
9. Misuse of HACM property;
10. Any other failure of good behavior or acts during duty hours which are not compatible or are inimical to public services;
11. Under the influence of drugs or alcohol on duty;
12. Failure to possess a valid California driver's license if the license is required in the job description.

The foregoing conduct is not meant to be all-inclusive.

Except in cases of a written reprimand, immediately following the decision to impose formal disciplinary actions listed within this Article, the Employer shall notify the employee and the Union representative in writing of the proposed action, and the employee's due process rights.

Any employee found to be unjustly suspended or dismissed shall be reinstated with full compensation for all lost time, and with full restoration of all other rights and conditions of employment.

Section 8: Notice of Proposed Discipline, Disciplinary Action and Appeal Procedure

Initial Notice of Intended Disciplinary Action and Skelly Rights.

Prior to the imposition of proposed disciplinary action, the department head shall give written notice to the employee. The written notice of intended disciplinary action shall be personally delivered to the employee or sent to the employee by certified mail to the employee's last known mailing address. If mailed, service shall be deemed complete five (5) calendar days after mailing, or the date signed for,

whichever is earlier. The contents of the written notice shall include, but need not be limited to, the following:

1. A statement in ordinary and concise language outlining the specific violations of department and/or HACM rules, regulations, ordinances, policies, or any state or federal law that the employee is alleged to have violated.
2. The contemplated disciplinary action.
3. A notice that the employee may request to review all materials relied upon by HACM in support of the proposed discipline, including but not limited to: tape recordings, reports, memorandums, transcripts, witness statements, and all other available materials and evidence.
4. Notice that the employee may request a pre-disciplinary "Skelly" meeting within five (5) working days of receipt of the intended disciplinary action notice. Such request must be made in writing and addressed to the Executive Director or other designee as identified in the Notice. The pre-disciplinary hearing may be waived by the employee, either by written waiver or by failure to submit the written request for pre-disciplinary hearing within the time allowed. The pre-disciplinary hearing shall be held as soon as practicable before the HACM Executive Director or his/her designee as the Skelly Officer. The employee shall be afforded a reasonable opportunity to respond orally or in writing at the Skelly meeting.

Final Notice of Disciplinary Action.

Within ten (10) working days following the pre-disciplinary hearing, or as soon after as reasonably possible if the disciplinary action is still contemplated, the Skelly Hearing Officer shall serve upon the employee a final determination after the Skelly meeting. If a proposed disciplinary action is sustained, the determination shall include Notice of Disciplinary Action setting forth the decision of the Skelly hearing officer and an order of discipline, which shall include the effective date of the disciplinary action.

Effective Date of Discipline.

Discipline imposed pursuant to this section shall not be effective until either (a) the employee waives or does not request a Skelly hearing within five (5) working days of receiving Notice of the intended disciplinary action; or, (b) the date that the Skelly Hearing Officer provides Notice of their determination after hearing in the Notice of Final Disciplinary Action to the employee, whichever is later.

Administrative Appeals Process.

Any final disciplinary action involving loss of pay of ten (10) days suspension or less (or equivalent) may be appealed to the Executive Director. Any final disciplinary action greater than a ten (10) workday suspension without pay, or equivalent, may be appealed to Arbitration. An appeal of disciplinary action must be made in writing and must be received by the Executive Director within five (5) working days of the discipline becoming effective. If an employee fails to appeal within the prescribed five (5) working day time period, all further appeal steps are waived. Time requirements in this Section are jurisdictional.

If the employee timely files an appeal to arbitration of disciplinary action in writing, the Executive Director shall initiate the procedures outlined in Article 8, Section 4, Step 4 of the Grievance procedure (Appeal to Arbitration).

Section 9: Inapplicability To Probationary Employees

In reference to this Article, the term "regular" employee shall not include probationary employees. Any probationary employee may be dismissed by the Employer without cause and without recourse by the employee. However, the Employer shall maintain the confidentiality of the reasons for discharge.

ARTICLE 10 - TRANSFERS, LAYOFFS & RECALL

Section 1: Transfers

Whenever a vacancy in any one of the job classifications occurs as a result of retirement, termination, or resignation, the Employer shall post a notice of such vacancy on all work sites for a period of five (5) working days. This notice shall inform employees that the Employer will accept applications from regular employees in the same job classification as the vacant position for transfer to the vacant position. All applications for transfer to the vacant position shall be submitted in writing to the Human Resources Department.

The Employer shall not otherwise advertise the vacant position or attempt to fill the vacant position until the period of time for applications for transfer specified in the notice has expired. In the event two (2) or more qualified regular employees in the same job position/classification as the vacant position submit applications to transfer to the vacant position, the Department Director having jurisdiction over the vacant position shall make a recommendation to the Executive Director as to a final selection for the vacancy.

Section 2: Layoff & Recall

The process relating to layoff and recall of regular employees shall be as follows, including but not limited to the following: order of layoff; reinstatement; reduction in force; seniority within classifications, maintenance of eligibility lists; procedures for recall, and benefits upon retirement. The decision to implement layoffs and the application or interpretation of this section (Article 10, Section 2) shall be appealable only as provided for in this Article, and shall be appealable only to the Executive Director, within ten (10) calendar days of the date the employee receives notice of the layoff.

A. Layoff & Reduction In Force:

(a) Prior to the layoff of any regular employee for lack of work, reorganization or purposes of economy, if such employee cannot be readily accommodated by transfer or reclassification to an open position for which they are qualified, then the order of layoff shall commence with all employees within the following positions to be furloughed, subject to recall as funding permits:

1. Seasonal employees
2. Contract, extra-help employees
3. Any regular employee identified for layoff may claim unilateral seniority over any probationary employee who has not achieved regular status, or any part-time regular employee, if they meet the minimum qualifications for the position.

(b) If none of the above order of layoff is applicable, regular employees will be laid off according to seniority within a department in accordance with the following:

1. Seniority within the affected classification will be determinative, except as noted.
2. A regular employee designated to be laid off may bump into a lower classification for which they are qualified.
3. The length of service in a series of regular classifications within a department shall be counted toward establishing seniority in the employee's present classification.
4. Prior time with the Employer for an employee who has a break in service, or who has transferred to another department shall not be counted in determining seniority within classification in the department except when all other factors have been considered and the seniority dates are equal, then previous agency service shall be counted in determining seniority.
5. If all of the above are equal and two or more employees have identical seniority, then previous agency service shall be counted in determining seniority.
6. A regular employee who voluntarily demotes or transfers pursuant to "bumping" criteria above, shall, in the order of seniority, retain the right to fill the first vacancy in the classification from which they demoted or transferred, for a period of twenty-four (24) months from the date of demotion or transfer. The salary step of an employee that returns to the classification from which he or she demoted or transferred shall be the same as the salary step that the employee earned immediately prior to the demotion or transfer.
7. Notwithstanding any of the foregoing, if the Executive Director determines that the public interest will not be served by the above criteria, the Executive Director may depart therefrom on the basis of a clearly demonstrable superiority in performance and/or qualifications. In such case, the Executive Director shall notify the employee to be laid off and such employee shall have the right to a formal grievance hearing with (and limited to) the Executive Director (Step 3) per Section 3 of Article 8, of the formal grievance procedure.

Written notice of layoff shall be served on affected employees in person or by certified mail at least 30 calendar days prior to the date of action. If notice is served on affected employees by certified mail, said notice shall be deemed effective upon issuance of the registry receipt. In the event an employee elects to transfer or demote in lieu of layoff pursuant to the preceding parts of this Section, the affected employee must notify the Executive Director within seven (7) working days of their receipt of their layoff notice.

(c) Any employee who involuntarily transfers or demotes to another job classification as specified in this Section, shall have their salary adjusted as follows:

The assigned salary shall be either: 1) the step within the new salary range which is closest to the employee's current salary, or 2) if the current salary exceeds the new salary range, a 'Y'-rate shall be established at 90% of the employee's current salary step which shall not subsequently increase during

continuous regular service until the maximum of the new salary range exceeds the 'Y'-rated base salary of the employee at the time of transfer or demotion. Longevity increases shall be in addition to the new base salary calculations above.

Employees "bumped" pursuant to this Section are subject to and shall have the same rights with respect to less senior employees as set forth in this Section.

When deemed necessary and directed by the Board of Commissioners, a reduction in the HACM work force may be initiated due to: (a) a lack of work; (b) lack of funds, or (c) program or organizational changes resulting in a surplus of employees, or elimination of a specific program or services. Insofar as possible, a reduction in force shall be accomplished by attrition.

When it is determined by the Commissioners that attrition will not provide sufficient relief for the condition warranting a reduction in the number of employees, the Board may direct a specific layoff by department(s). For the purposes of this agreement, a department is defined as an employee grouping under the authority of a single department director. A listing of department units can be found in Article 11 Section 2, "Seniority". Employee layoffs resulting from a reduction in force shall be in accordance with previous criteria of this Section.

Upon a determination by the Employer that one or more regular employees are to be laid off, the Employer shall provide written notice of that determination to the Union.

B. Maintenance of Eligibility Lists, Seniority, And Procedures For Recall:

In the event of a layoff of one or more employees, a list of employees laid off or demoted as a result of a reduction in force shall be maintained. This list shall be in descending order of service seniority within a department unit as outlined in the preceding subsection "A". Seniority of an employee within a classification and/or department unit shall be calculated on the basis of the number of consecutive payroll periods in which the employee was regularly employed or on an approved paid leave status. Employees with the longest service time within a department unit shall be considered for reemployment within their department ahead of those with less seniority until such time as the list expires.

Each eligible former employee shall remain on the list for twenty-four (24) months from the effective date of the layoff or demotion. Former employees will be responsible for keeping the Employer advised, in writing, of a current address. When notified in writing by return receipt mail that they will be re-employed, former employees must return to work within twelve (12) calendar days of the mailing of said notice, unless otherwise mutually agreed upon, or they will be removed from the list.

All employees who have been demoted in lieu of layoff or who maintain eligibility on a reemployment list shall be eligible to compete in any promotional exam. All employees eligible for reemployment with the agency shall be considered for vacancies in other departments when those vacancies occur in the same or similar classifications from which they were laid off.

Employees on any reemployment list may accept a vacancy in a lower comparable job classification in which they have had prior work experience and are otherwise qualified to perform the essential job functions of the position. Employees at the top of any hire list have a right of first refusal for any vacancy for which they are qualified. If this right of first refusal is not exercised by the person ranking highest on the reemployment list, it shall pass in descending order by seniority to the other persons on

the reemployment list, subject to these same conditions. Employees, who are offered and accept appointment to a lower or comparable job classification, retain the right to fill the first vacancy which occurs in the classification in which they were laid off. The appointment of an eligible employee to a permanent position from a reemployment list shall be subject to a demonstration of fitness by the recalled employee, for the performance of essential functions of the job, at the discretion of the Employer.

C. Benefits Upon Reinstatement Following A Reduction In Force:

Upon reemployment in the classification from which the employee held previous regular status and was laid off, the employee shall be re-employed on the same step in the same range as at the time of layoff. Seniority at the time of layoff shall be recognized upon reemployment for the purposes of determining merit increases, vacation accruals, and future reduction in force status. Sick leave accruals at the time of layoff, if any, shall be reinstated upon re-employment.

If the employee chooses to be re-employed in a lower classification for which he/she may have seniority status and which has a salary range lower than the classification from which he/she was laid off, then salary placement shall be at the lower classification level.

Any employee, who is re-employed by the Employer in accordance with Section of this Article, shall be reinstated with the seniority he/she had at the time of layoff. Any such employee shall have the additional right to repurchase sick leave and or vacation leave paid to the employee by the Employer at the time of layoff, providing such repurchase is completed within sixty (60) calendar days following reemployment. Any such employee shall have the additional right to repurchase his/her retirement benefits that were paid to him/her upon layoff, subject to any conditions imposed upon such reinstatement by PERS, and further providing that the Employer incur no cost whatsoever in connection therewith.

ARTICLE 11 - SENIORITY

Section 1: Definition

Seniority is the length of continuous paid employment of a regular employee, excluding probationary employees, within a classification or series within a department.

Section 2: Accrual of Seniority

Time on unpaid leave or suspension shall not be included in calculating seniority. Time that an employee is on an authorized medical disability leave under any State or Federal leave entitlement for which benefit entitlements are being coordinated with the employee's vacation, sick or compensatory time off shall be included in calculating Seniority.

The following classification units shall be utilized for calculating seniority accruals for the purposes of reductions in force, promotions, transfers or other applicable situations in accordance with the criteria contained in Article 10 of this agreement:

Administration
Finance
HCV
Housing Services
Human Resources
Development

Seniority shall be accrued by contract except that any employee who transfers from one contract position to another shall be allowed to maintain any accrued seniority.

Section 3: Loss of Seniority

A regular employee shall lose their seniority for the following reasons:

1. Dismissal
2. Resignation
3. Failure to return to work when recalled from layoff as set forth within the recall procedure in Article 10, Section 2, subsection (C.).
4. Failure to return to work after expiration of a formal leave of absence.
5. Retirement
6. Layoff for a continuous period of more than twenty-four (24) calendar months.

Section 4: Probationary Employees

When an employee successfully completes their probationary period, their seniority shall begin from the original date of hire within their classification unit.

Section 5: Promotion

In all cases of promotion, the criteria in Article 3, Section 3 shall be determinative. In the situation where length of service within a classification is identical for two or more employees, then seniority shall be determined by the length of continuous paid employment with the Employer from the original date of hire.

Promotional examinations shall be open to all regular employees who meet the basic qualifications for the higher position. Any employee, upon promotion, shall be entitled to receive in the position to which he/she is promoted, the rate of compensation at the next higher salary step than that received by him/her prior to the promotion, provided that the amount of increase shall be at least equal to a five percent (5%) base salary increase.

Job postings and examinations shall be conducted in accordance with the procedures outlined in Article 3, "Closed Recruitments". Within any job examination process, all employees who meet the minimum qualifications of a higher job classification covered by this agreement shall be eligible for the job-related examination process.

The effective date of any salary change shall be the beginning of the next payroll period following the approved date of change.

Section 6: Seniority Lists

The Employer shall prepare and maintain a seniority list which shall show the names, classification, title, seniority unit and seniority date of all employees. The Union shall be given two (2) copies of the list within thirty (30) calendar days after the effective date of this agreement, and thereafter, a current list every six (6) months.

These lists shall be deemed correct as to the employee's seniority date, unless the employee or the steward for the employee notifies the Employer to the contrary in writing within ten (10) calendar days after a list is given to the Union.

ARTICLE 12 - ANNUAL (VACATION) LEAVE

Section 1: Accrual

All full-time, regular employees shall earn annual leave at the following rates:

3.08 hours per biweekly period (10 days per year).

4.62 hours per biweekly period after five (5) years of consecutive service (15 days per year).

6.16 hours per biweekly period after ten (10) years of consecutive service (20 days per year).

7.70 hours per biweekly period after fifteen (15) consecutive years of service (25 days per year).

All part-time, regular employees shall earn leave on a pro-rated basis. The pro-rated annual leave value is calculated by multiplying the corresponding values listed above for full-time, regular employees by the percentage factor derived by dividing the usual number of hours worked by the part-time employee within a biweekly payroll period by 80 hours.

Annual leave shall accrue. No annual leave, however, shall be taken by a probationary employee prior to completion of ninety (90) calendar days after initial employment.

Annual leave earned but not taken may accrue to a maximum of one hundred sixty (160) working hours during the first five (5) years of employment; up to a maximum of two hundred forty (240) working hours through the fifteenth (15) year of employment, and up to a maximum of three hundred twenty (320) working hours thereafter. The Employer agrees to allow employees to take time off at any time

during the month in which they could exceed their designated maximum accrual limit. Employees shall make all reasonable efforts to minimize any disruption of or inconvenience to Employer operations resulting from the mandated use of annual leave in this regard. The Employer further agrees that any employee utilizing leave for such purpose will not be harassed or adversely sanctioned for exercising this right.

In the event that the leave has been denied for emergency reasons, hours in excess of the leave cap shall be paid at the regular hourly rate of pay. The employer can require an employee whose hours are meeting or exceeding the maximum to take such time off as to bring them to their maximum accrual.

Section 2: Scheduling

The time at which an employee shall take annual leave shall be approved by the Executive Director with due regard for the wishes of the employee and regard for the needs of the Authority.

All employees shall make written request for vacation lasting one (1) week or longer at least two (2) weeks prior to the beginning of the requested vacation.

An employee's supervisor shall respond to an employee vacation request within five (5) workdays after receiving the request, by returning a copy of the request form and indicating whether the request is approved or denied. A copy of the Vacation Request Form is attached as Exhibit "___" to this MOU.

If an employee vacation request is denied, the supervisor shall indicate any operational reasons for the inability to approve the requested time off.

Annual leave shall not be taken in any amount less than in multiples of one-half (1/2) hour. Annual leave for periods longer than three (3) weeks will be discouraged. Exceptions may be made under certain conditions at the discretion of the Executive Director.

Section 3: Annual Leave Cash-Out

Once during each contract year, the employee may elect to take up to eighty (80) hours of their annual leave accrual in equivalent pay. An employee may elect to cash-out that portion of their accrual which exceeds sixty (60) hours. In any event, the accrued balance remaining must be sixty (60) hours.

Section 4- Payment At Termination

An employee whose service is terminated, shall be entitled to receive the equivalent amount of pay for annual leave accrued.

ARTICLE 13 - SALARIES

Section 1: Basic Salary Schedule

The HACM shall increase the salary for all members of the bargaining unit during the term of this agreement as follows:

A. 2.0% increase to base pay effective with the beginning of the first full pay period in February 2017.

B. 1.0% increase to base pay effective the first full pay period after July 1, 2018.

A revised copy of the publicly available salary schedule that includes all classifications covered by this MOU shall be attached hereto as Attachment "A"

Section 2: Increases Within Range

Every regular employee who was hired prior to July 1, 1996, shall hereafter have an anniversary date of July 1st. Regular employees who are hired after July 1, 1996, shall have an anniversary date coinciding with the calendar date of their hire with the Employer. Regular employees with a July 1st anniversary date who are promoted or reclassified to a position with a higher salary range, and are required to serve a designated probationary period, shall have a new anniversary date commensurate with the date of the initial promotion/reclassification.

Advancement to the next or higher salary steps shall not be considered prior to one year from the designated anniversary date except for probationary employees. Probationary employees shall receive only one (1) interim merit step increase upon the successful completion of their probation within the terms of this agreement, and shall not be considered for further merit increase prior to completion of 26 biweekly payroll periods from the effective anniversary date.

Denial of a merit step increase shall not be construed as a disciplinary action. Advancements shall be based on satisfactory work performance.

Section 3: Effective Date of Change

The effective date of any interim salary change shall be the beginning of the next payroll period following the approved effective date of the change, or the employee annual anniversary date, or the contract effective date.

Section 4: New or Changed Classifications

In the event a new classification is established, or an existing classification is changed, the Employer shall assign it a salary rate on the basis of the relative value of the elements of the new or changed classification in comparison with the elements of the existing classifications.

The Employer shall provide the Union with a written classification description of the new or changed classification within ten (10) days prior to the effective date.

Upon receipt of the job description and assigned salary rate, the President of the Union or his/her designated representative, and not more than two (2) other employees or representatives of the Union, shall be afforded the opportunity to discuss the new or changed classification, assignment, and assigned

salary rate with the Executive Director or the Executive Director's designated representative. If the Union does not request a meeting or file a grievance at Step 3 of the grievance and arbitration procedure within five (5) calendar days of the receipt of the Employer's recommendation, it shall be deemed to be approved by the Union.

If there is disagreement with the new job description, assignment, or the assigned salary rate, the provisions of Article 8 of the agreement shall apply commencing at Step 3.

Section 5: Re-Employment

Any former employee re-employed in a classification from which they were separated in good standing, may be appointed to the same step of the salary range for the specific job classification as the step they occupied at the effective date of their resignation, provided their re-employment takes place within six (6) months. They must meet all other job criteria.

Section 6: Method of Computing Hourly Wage

Regular employees employed for less than a full pay period shall be paid at an hourly rate for the actual hours worked, plus additional pay for any holiday hours, including Saturday and Sunday, which are within this agreement. Pay will be allowed for any hours of used, earned, sick and vacation leaves. The hourly rate shall be determined by the following formula: Annual salary divided by 2080 =hourly rate.

Section 7: Out of Class Pay

The Employer may require that employees work out of classification. Upon specific appointment by management with Executive Director approval, an employee may be required to perform the essential duties of a position in a higher classification due to a temporary vacancy. For purposes of this section, "working out of class" means that an employee is appointed by management with Executive Director approval to continuously perform the essential, significant, and distinguishing job duties of the higher classification in a vacant position on a temporary basis. Out of class payment shall begin after completion of five (5) consecutive working days in the higher classification. In the event out of classification appointment exceeds five (5) consecutive working days, payment for the out of class work shall be retroactive to the first day of assuming the position. Payment for such out of class work shall be five percent (5%) above the regular base pay of the employee.

No employee shall be worked out of class for more than one (1) calendar year. Upon return to his/her previous classification, an employee will be placed back at the salary step and status as if they had not worked out of classification.

Section 8: Uniforms

The Employer will provide five (5) uniforms for all employees within specified regular classifications. Employees will maintain those assigned uniforms. Annual replacement of uniforms will be as follows:

Annually: 5 shirts and 5 trousers, and 1 pair of work boots.
Every-Other-Year (Bi-Annually): 1 jacket.

Uniforms are the property of HACM. All uniform shirts, coveralls and jackets shall include the following attached permanently to the front of the garment:

1. A separate Employer identification patch.
2. A separate employee name patch.

Regular positions designated to receive these allowances shall be as follows:

Maintenance Worker Lead Foreman Year-Round Housing Complex Manager Migrant Aide Migrant Center Manager

Designation of a specific employee uniform requirement in addition to the above classifications shall be at the discretion of the Department Director as to type and style of uniform components which are appropriate to the job classification and regular tasks performed. Replacement intervals of uniform components for non-maintenance positions shall be annual unless otherwise declared.

Periodic provision of promotional clothing and/or equipment, including safety equipment, does not of itself constitute a uniform designation/allowance or infer an obligation of the Employer to continue the allocation or replace such clothing or equipment previously issued except as required for safety or other job compliance.

ARTICLE 14 - ADDITIONAL COMPENSATION

Section 1: Longevity Pay

Employer agrees to pay, in addition to the basic salary schedule, a longevity allowance as follows:

- a) Upon completion of ten (10) years of continuous service as an employee of the HACM, a longevity allowance of \$100.00 per month added to base pay.
- b) Upon completion of fifteen (15) years of continuous service as an employee of the HACM, a longevity allowance of an additional \$50.00 per month added to base pay. (a total of \$150.00 per month inclusive of the amount received under (a), above).
- c) Upon completion of twenty (20) years of continuous service as an employee of the HACM, a longevity allowance of an additional \$50.00 per month added to base pay. (a total of \$200.00 per month inclusive of the amount received under (a) and (b), above).

Section 2: On-Call Pay

Within the Employer's discretion, and regardless of whether specifically set forth in job descriptions, employees may be assigned on-call duty for possible work and will be required to be available outside their regularly-scheduled shifts. The employee shall be paid One Hundred Dollars (\$100.00) per pay period only when the employee is actually on "on-call" duty during such pay period. Time spent on "on-call" duty shall not be counted as hours worked for overtime purposes. Selection of employees eligible for on-call duty is at the discretion of the Employer, and the Employer will maintain a current list of all employees approved for on-call duty. Employer will provide employees with reasonable advance notice of on-call duty. On-call duty requires the employee so assigned to:

- (1) be ready to respond to calls;
- (2) be reachable by telephone or pager;
- (3) be able to be at the work station within 45 minutes; and
- (4) refrain from activities which might impair his/her ability to perform assigned duties.

Employees assigned to on-call duty have the responsibility of obtaining qualified relief from the approved on-call list of employees in the event they cannot be called back to work. The relief must have the pre- approval of an appropriate supervisor. Employees will be assigned to on-call duty first on a volunteer basis and thereafter assigned by reverse seniority. On-call duty will be rotated among qualified employees on the approved on-call list of employees unless otherwise agreed to by the employee and management.

This section shall not apply to exempt employees.

Section 3: Call-Back Pay

When an employee is on-call and is required by management to work outside his/her regularly-scheduled shift, the employee shall be paid a minimum of three (3) hours at one and one half (1-1/2) times the employee's regular hourly rate, and one and one-half (1-1/2) times the employee's regular hourly rate thereafter for actual hours worked. Employees called back to duty shall begin receiving compensation at such time as the employee leaves home, and compensation shall be paid until such time as the employee returns home, but shall not include time spent not on duty for the HACM.

Mileage paid to employees is defined in Section 4 below. Time spent on call back shall not be counted as hours worked for overtime purposes.

This section shall not apply to exempt employees.

Section 4: Mileage Allowance

An employee required to use their private vehicle shall receive a mileage allowance equal to the current IRS mileage allowance, for each mile traveled from their place of residence to the HACM and for the return trip. The exception to this section shall be those employees furnished with vehicles by the Employer. This rate shall be adjusted annually.

Section 5: Overtime Meal Allowance

When two (2) or more hours of overtime is directed to be worked beyond the employee's regular workday, the dinner per-diem meal allowance according to the HACM travel policy, currently at \$13.50 for low-cost areas (Stockton to Bakersfield), or \$22.00 for high-cost areas (all other areas), shall be paid by the HACM, provided that the actual time taken for said meal, not to exceed one (1) hour, shall not be considered as time worked.

Section 6: Employee Medical Allowance & Employer-Paid Insurance Premiums

A. Medical Insurance

During the term of the MOU, the Employer agrees to continue its contract with the California Public Employees' Retirement System (CalPERS) for the purpose of providing employees and their eligible dependents with access to medical insurance benefits. Participation and benefits under the Plan shall be administered in accordance with the provisions of the Public Employees Medical and Hospital Care Act (PEMHCA).

The HACM maximum monthly contribution for each eligible active employee shall be an amount equal to the greater of either 20% of the premium for single employee coverage or the minimum contribution required under Government Code Section 22892.

B. Dental Plan

The Employer will provide employees and their eligible dependents with access to dental insurance benefits through the Cafeteria Plan described below. These dental insurance benefits shall include optional orthodontia care (50% coverage up to \$1,500 per year). The Employer shall pay 100% of the lowest cost employee-only base premium per month on behalf of each eligible employee towards the costs of dental insurance premiums. Employees who choose additional coverage, such as orthodontia or who choose to cover additional dependents under the dental plan shall pay any additional amount for the enhanced benefit or additional covered individuals. All employees shall participate in the dental plan.

C. Vision Insurance

The Employer will provide employees and their eligible dependents with access to vision insurance benefits through the Cafeteria Plan described below. The Employer shall pay 100% of the employee-only premium for the contracted vision plan per month on behalf of each eligible employee. If an employee elects to include dependents, the employee will pay any additional amount for dependent coverage under the plan.

D. Life Insurance

The Employer will provide employees and their eligible dependents with access to life insurance benefits through the Cafeteria Plan described below. The Employer shall contribute 100% of the base employee-only premium for accidental death & dismemberment coverage per month on behalf of each eligible employee towards the costs of life insurance premiums. Any amounts for additional insured dependents or for enhanced insurance coverage shall be paid by the employee.

E. Retiree Medical Insurance

The Employer will provide access to medical insurance coverage for those employees who retire from employment with the HACM and who constitute "annuitants" as defined by the Public Employees' Medical and Hospital Care Act (PEMHCA). The HACM maximum monthly contribution for each eligible annuitant shall be an amount equal to the greater of either 20% of the premium for single employee coverage or the minimum contribution required under Government Code Section 22892. The provisions of the PEMHCA will govern medical insurance coverage for annuitants.

Section 7: Flexible Spending

A. Cafeteria Plan

The Employer will establish a Section 125 Flexible Spending Account/Cafeteria Plan for employee participation. Such plan will qualify as a "cafeteria plan" within the meaning of Section 125 (d) of the Internal Revenue Code of 1986 as amended.

B. Flexible Spending Allowance

The Employer agrees to provide a Fringe Benefit Allowance to all full-time employees eligible to participate in HACM sponsored health and welfare benefits. Receipt of any Fringe Benefit Allowance under this Section shall be in addition to any employer contribution that is provided under Section 5.A above. The Fringe Benefit Allowance provided to an employee shall be determined based on an employee's participation level, as follows:

TIER 1: Eligible employees who opt-out of the medical coverage, shall receive a flexible benefit allowance, paid in a single lump-sum to the employee as a contribution to the IRS 457 plan, in the amount of \$600.00 per year. This opt-out benefit shall be issued on the payday immediately following July 1 in any given year. To be eligible to receive the opt-out benefit, an employee must a) be an employee of HACM on July 1 and on the date the benefit is issued, of the year. Further, employees shall only be eligible to receive the opt-out benefit who have opted out of the medical coverage for that calendar year.

TIER 2: Eligible employees who elect to enroll in employee-only medical benefits shall receive a flexible benefit allowance of \$750.00 per month, less the amount of any employer contribution towards medical insurance provided under Section 5.A of this Agreement. Any flexible benefit allowance provided under this provision can only be used towards the purchase of those benefits available through the HACM Cafeteria Plan.

TIER 3: Eligible employees who elect to enroll in employee plus one level medical benefits shall receive a flexible benefit allowance of \$950.00 per month, less the amount of any employer contribution towards medical insurance provided under Section 5.A of this Agreement. Any flexible benefit allowance provided under this provision can only be used towards the purchase of those benefits available through the HACM Cafeteria Plan.

TIER 4: Eligible employees enroll in employee plus two or employee plus family level medical benefits shall receive a flexible benefit allowance of \$1150.00 per month, less the amount of any employer contribution towards medical insurance provided under Section 5.A of this Agreement. Any flexible benefit allowance provided under this provision can only be used towards the purchase of those benefits available through the HACM Cafeteria Plan.

Section 8: Retirement Benefits

A. CalPERS Retirement Plan

The HACM shall contract with California State Employees Retirement System (CalPERS) for the purpose of providing all regular employees with pension plan benefits.

"Classic Members" of CalPERS

The benefit formula for "Classic Members" of PERS, as defined by CalPERS, shall be "2.7% @ 55."

Participation in a CalPERS pension plan requires both an employer and an employee contribution. The HACM shall pay the full amount of any employer contribution required by CalPERS.

Beginning the first full pay period following ratification of this MOU and continuing thereafter, employees hired before January 1, 2013 and all subsequent "Classic" member employees will be required to pay 100% of the required employee contribution to PERS (currently 8%). In any case, employees shall pay no more than 100% of the member contribution required by PERS.

"New Members" of CalPERS

New hires on or after January 1, 2013, who are "New Members" with PERS, as defined by CalPERS, shall have the new defined benefit formula 2% @ age 62 for all new miscellaneous (non-safety) members.

"New Members" of PERS hired on or after January 1, 2013, shall pay 100% of the employee PERS contribution (½ of the total contribution, currently 6.25 %.)

B. Deferred Compensation Plan

The Employer shall establish and implement a Deferred Compensation plan. Employees shall be eligible to participate in the Deferred Compensation plan in accordance with plan requirements.

ARTICLE 15 - Sick Leave And Disability Compensation

Section 1: Sick Leave

Each full-time, regular employee shall earn sick leave at the rate of 3.70 hours per biweekly pay period (96 hours annually), for each period worked or the major portion thereof. Each part-time, regular employee shall earn sick leave on a pro-rated basis. The pro-rated sick leave value shall be calculated by multiplying the value of 3.70 hours per biweekly payroll period by the percentage factor derived by dividing the usual number of hours worked by the part-time employee within a bi-weekly payroll period by 80 hours.

Sick leave earned shall be added to the employee's sick leave accumulation account upon completion of the pay period. Information regarding the amount of an employee's accrued sick leave shall be available on their regular paycheck stubs.

In order to receive compensation while absent on sick leave, the employee shall notify his/her immediate supervisor prior to or within two (2) hours after the beginning of the work shift. When absent in excess of three (3) workdays, the employee shall file, upon request, a doctor's statement or a personal affidavit with the department head stating the cause for the absence.

Sick leave earned may be applied to an absence caused by illness or injury to an employee, and for medical, dental and vision office visits when absent during regular work hours. One hour of sick leave may also be utilized in accordance with Article 22.

Section 2: Illness In The Immediate Family

When an illness or injury in the immediate family requires an employee to be absent from duty to care for such person(s), this absence shall be charged to the employee's sick leave, up to a maximum of 40 hours per year.

When absent for more than three (3) work days due to sickness in the family, or extended family care, the employee shall file, upon request, a doctor's statement or a personal affidavit with the department head stating the reason for the absence.

"Immediate" family refers to an employee's relative, which is defined as: Husband/Wife, Registered Domestic Partner, Child/Step/Current Foster Children, Father/Step Mother/Step Foster Parents, Sister, Brother, Father-In-Law, Mother-In-Law, All Grandparents, Son-In-Law, Daughter-In-Law, Grandchildren, or a dependent as defined by the employee's health insurance provider.

In extraordinary situations in which family members require extended care beyond the 40 hour annual limitation, an employee can request special consideration for providing such extended care and comfort, utilizing up to 75% of their current accumulated sick leave per year. However, this extended care would qualify only for certain "restricted" family members, with a doctor's certification. "Restricted" family for extended medical care is defined as follows:

A spouse; a registered domestic partner; natural, foster or adopted children; parents or in-laws of the employee, or other relatives who have been residing in the employee's home and are dependent upon the employee.

Section 3: Fraction of a Day

In instances involving the use of a fraction of a day's sick leave, the minimum charge to the employee's sick leave account shall be one-half (1/2) hour, while additional actual absence in excess of one (1) hour shall be charged to the nearest one-half (1/2) hour.

Section 4: Personal Necessity Leave

An employee may take up to 24 hours of personal necessity leave. Where provided for by law, such leave shall be deducted from the employee's available sick leave. Personal Necessity Leave taken for reasons other than those chargeable to sick leave shall be charged to an employee's accrued vacation leave balance. All Personal Necessity Leave shall be taken in increments of one half-hour (1/2) or more.

Section 5: Accumulation

An employee may accumulate sick leave indefinitely. An employee will continue to accrue sick leave while on disability under Article XV or Article XVII, only in amounts that coincide with that portion of the

disability paid by the Employer. Upon retirement, any unused sick leave shall apply toward retirement credits with PERS, if such application toward service credit is permitted by CalPERS.

Section 6: Use o Sick Leave While on Vacation

An employee who becomes ill while on vacation, and who desires to claim sick leave, must make such request as soon as possible after the hour on which the employee desires to begin sick leave usage. A doctor's certificate will be required by the Employer for any period of sick leave used while on vacation.

Section 7: Disability Compensation And Benefits

Any full-time, regular employee who becomes disabled during employment with the HACM shall receive compensation in the following manner:

An employee who is disabled shall receive compensation equal to the difference between the base salary and the State Disability insurance benefit payment. The total amount will not exceed the base salary.

The pro-rated compensation will be deducted from the accumulated sick leave at the same rate as ordinary sick leave. Employees shall be eligible to receive such compensation for a period not to exceed their accumulated sick leave.

Employees, while on disability, shall accrue sick leave or annual leave only in proportion to what part of their benefits that are paid by the HACM.

The benefits provided under the state disability insurance laws of the State of California as referred to above, shall not include payments made for hospital, surgical and medical expenses or payments received as a result of permanent injury awards.

In the event a contract is terminated, any Employer benefits paid under this article shall end for employees whose employment was based on said contract. In the event an employee is placed on permanent disability, the Employer shall be liable for matching funds as explained above and in the previous Section 4, for a period not to exceed the employee's accumulated sick leave.

Section 8: Catastrophic Leave Donations

Catastrophic Leave provides that employees shall be entitled to donate accrued vacation and/or sick leave hours to another employee to augment a portion or portions of the employee's sick leave, on behalf of the employee, the employee's spouse/domestic partner or employee's children related by blood, marriage, adoption or legal care status, provided that the receiving employee faces a financial hardship due to a serious injury or a prolonged illness to themselves or a direct family member, as defined above, and has exhausted all accrued leaves. Both the donor and the recipient must be regular employees, having passed initial probation. Catastrophic Leave requests shall conform to the following criteria:

1. Requests for Catastrophic Leave donations must be submitted in writing by the requesting employee after exhaustion of all accrued leave, and turn in said request to his/her immediate

supervisor. (The Executive Director or his/her designated representative may require that the condition be confirmed by a doctor's report.) Upon approval by the Executive Director or designee shall post and circulate leave transfer forms to all employees. Participation is strictly optional and will remain confidential.

2. The Executive Director or designee shall verify that donors have accrued sufficient hours to cover their intended donations. Donated leave may not exceed more than 25% of the donor's accrued sick and vacation leave totals at the time of the request. Donated time will be converted from the type of leave given to the employee's sick leave account, on an hour-to-hour basis.

3. The minimum donation shall be eight (8) hours, and thereafter in whole hour increments.

4. Once posted, the donations are irrevocable except in the event of the untimely death of a Catastrophic Leave recipient. In that event, any excess leave will be returned to the donating employees.

5. In the event that initial donations are exhausted and the receiving employee has not returned to work, a subsequent posting may be made by the Executive Director or designee. The total leave credits received by the employee shall normally not exceed (3) months for any single occurrence within a 12-month period. Human Resources will coordinate the total donations to each recipient to ensure that excessive numbers of hours are not donated.

ARTICLE 16 - Leave of Absence

Section 1: Criteria

Upon approval of a written request to the Executive Director or his designee, a leave of absence without pay may be granted to any regular employee for a period not to exceed twelve (12) months for the following reasons, subject to provisions of other Articles of this agreement or any Federal or State leave entitlement statutes:

1. Illness or disability not covered by sick leave.
2. Education or training which will materially benefit the employee.
3. Other personal reasons which do not cause inconvenience to the Employer.
4. Other employee leave entitlements authorized by State or Federal laws. The above maximum leave period may be in addition to any other medical or paid leaves for which the employee qualifies under State or Federal laws or regulations.

Section 2: Requests

Requests for a leave of absence shall be submitted through the Executive Director, and shall state specifically the reasons for the request, the date when it is desired to begin the leave, and the probable date of return.

Except in cases of emergency, requests for leave of absence must be submitted at least 30 days prior to the first day that leave will commence, or as much advance notice as is practical when the need for the leave becomes known to the employee. The request for leave must state the employee's election as to use of annual or sick leave accruals for a portion or all of the anticipated leave time as authorized within other Articles and Sections of this agreement, or other Employer policies by reference.

Section 3: Accumulated Sick And Annual Leave

All accumulated annual leave shall be used prior to being granted a leave of absence, with the exception that utilization of accumulated annual leave in the case of pregnancy or FMLA/CFRA leave shall be optional with the employee.

Employees may not accrue annual or sick leave while on an unpaid leave of absence. Employees on disability leave may accrue annual or sick leave as explained in Article 15, Section 5. Employees returning to work following a leave of absence shall retain their remaining accumulated sick leave.

Section 4: Health And Dental Payments

All premiums required under the Employer's health and welfare program shall be paid by the employee while on a leave of absence, unless continuance is provided by law.

Section 5: Replacement And Transfers

If the leave of absence has been granted for a period of time which would necessitate a replacement, the employee on leave shall not be returned to the position they vacated unless that position is open at the time they report for work. The employee shall, however, be granted preferential hiring rights for the first position of similar job classification which is open at a later date.

In the event a probationary or regular employee is transferred or promoted on a temporary basis for the duration of a leave of absence of another employee, such appointment shall have no effect on the status of the temporary employee so promoted or transferred, and shall be entitled to all rights and benefits that would be provided the employee as though he/she had not been temporarily promoted or transferred.

Section 6: Pregnancy Disability Leave

Pregnancy disability leave shall be granted in accordance with the Employer's policy regarding the requirements and procedures for such leave. The extent of qualified pregnancy leave shall also be in accordance with regulations adopted by the California Fair Employment and Housing Commission, and where applicable, the Family Medical Leave Act and the California Family Rights Act.

Section 7: Family Medical Leave Act

The parties to this contract acknowledge the applicability of the Family Medical Leave Act, and intend to apply and implement this agreement so as to fully comply with the Act. The parties hereby agree to consult if compliance with the Act may require modification of any of the provisions of this agreement.

ARTICLE 17 – Occupational Injury Compensation And Benefits

Any employee who is absent as a result of an industrial injury or illness deemed compensable by the Executive Director or the Worker's Compensation Appeals Board, shall receive compensation in the following manner:

Employee shall receive compensation equal to the difference between the base salary and the Workman's Compensation insurance benefit payment. The total amount will not exceed the base salary.

The pro-rated Employer compensation will be deducted from the employee's accumulated sick leave at the same rate as ordinary sick leave. Employees shall be eligible to receive such Employer compensation for a period not to exceed their accumulated sick leave. Accrued annual leave may also be applied to cover absences after exhaustion of sick leave balance, subject to mutual agreement of employer and employee.

The benefits provided under the Worker's Compensation laws of the State of California, as referred to above, shall not include payments made for hospital, surgical, and medical expenses, or payments received as a result of permanent injury awards.

Injuries or illness which are job-related and involve less than one (1) days absence for diagnosis and/or treatment, shall not be charged to employees sick or vacation time.

ARTICLE 18 - Bereavement Leave

Paid bereavement leave may be taken in an amount not to exceed 3 days per event causing the death of an immediate family member, as defined in Article 15, Section 2.

The Executive Director may, in their sole discretion, grant Bereavement Leave in any amount up to 3 days, for relationships beyond the familial listing contained in Article 15, Section 2. Additionally, the Executive Director may, in their sole discretion, approve, in whole or in part, an employee request for additional time away from work following a period of bereavement leave. If approved, such extended leave shall be charged first to an employee's vacation leave balance. If no vacation leave balance remains, such leave shall be charged to an employee's accrued sick leave balance. If no leave balances remain, the employee may, at the Executive Director's discretion, be granted leave without pay.

Employees requesting Bereavement Leave must provide appropriate documentation verifying the need for leave, and the qualifying familial relationship.

ARTICLE 19 - Court Leave

Any employee in court as a witness (other than as a plaintiff or defendant in a matter of personal litigation, or as a defendant in a civil or criminal action), or on jury duty, is entitled to court leave and such absence shall not be construed as annual leave or leave without pay.

Any fee collected by the employee for such duty shall be collected, less mileage allowance, by the Employer from the employee, except that such fees collected shall not be in excess of the salary earned by the employee in the same period. However, the employee may elect to take annual leave or leave without pay and retain any fees.

Before court leave is granted, the employee must submit a copy of the official summons to their immediate supervisor prior to the beginning date of such duty or service.

ARTICLE 20 - Military Service Leave

All employees shall be granted military leave in accordance with the Uniformed Services Employment and Reemployment Rights Act, 38 U.S.C. § 4301 et. seq. and the laws in the State of California including the Military and Veterans' Code § 389 et. seq.. Requests for military leave shall be submitted to the Executive Director, preferably in writing and accompanied by military leave orders, two weeks prior to the leave starting date except in the case of military necessity, or a state or national emergency. At minimum, notice should specify whether the leave requested is for "Temporary" military leave not exceeding 180 days; or ordered military leave for training, or for active duty of an indeterminate time period.

- A. The period of military leave of absence is computed as part of service to the HACM except that the employee who takes a military leave of absence before the completion of his or her probationary period shall complete the probationary period after his or her return. Employees are entitled to full compensation less military pay for the time spent on military leave.
- B. Any regular full time employee, who is involuntarily called to full time active military duty during the term of this Agreement, shall be entitled to receive those health insurance benefits that he/she was receiving while he/she is on active military duty. The receipt of health insurance benefits shall endure for a period not to exceed 180 days from the date he/she enters active military service; provided, however, if the employee and his/her dependents are provided health insurance or coverage through the military, the employee shall not be entitled to receive health insurance benefits through the Employer.

ARTICLE 21 - Rest and Meal Periods

When practicable, employees who work in excess of four consecutive hours shall be provided rest periods not to exceed fifteen (15) minutes during the middle of each four-hour segment of work time during their shift.

When practicable, employees who work five (5) hours or more in any one workday will be allowed a meal period of not less than thirty (30) minutes, nor more than one (1) hour, scheduled approximately at the midpoint or middle of the work shift. Employees shall be entirely relieved from duty during the meal period. If required to work during the meal period, the time actually worked is compensable and counts as hours actually worked.

Meal and rest periods may not be taken in the first or last hour of a work shift. Meal and rest periods may not be combined.

ARTICLE 22 - Hours of Work And Holidays

Section 1: Work Hours

The regular workweek for all represented employees of the HACM, hereafter designated as a 9/80 compressed workweek, shall occur within a 168 hour period beginning on a designated Friday at 12:01 p.m., and continuing through to 12:00 p.m. on the next subsequent calendar Friday. Employees shall be paid on a bi-weekly basis. Within the first week of the bi-weekly payroll period, employees shall be assigned four (4), nine (9) hour workdays, Monday through Thursday, and one (1), eight (8) hour workday on the first Friday of the payroll period, and four (4), nine (9) hour workdays, Monday through Thursday of the second week of the payroll period. The second Friday of the payroll period shall be a bye day for employees on the previously described workweek schedule. Any time worked in excess of nine (9) hours per days, or in excess of eight hours on a scheduled, non-bye Friday, or 40 hours within the designated individual workweek, shall be deemed overtime and shall be paid at one and one-half (1-1/2) times the regular rate time, except that an employee may take time off during the workweek.

If compensatory time is taken during the workweek, all holidays set forth in this agreement which fall upon a regularly assigned workday shall be construed as nine (9) hours worked.

Employees shall have the option of flexible scheduling of their regular workday as to starting time, and a one (1) hour or one-half (1/2) hour lunch period. Flexible scheduling must be approved in advance by the employee's immediate supervisor, and must conform to the days and hours set forth as a regular workweek.

Section 2: Holidays Worked

In conjunction with the 9/80 compressed workweek, any holiday which falls on a regular nine (9) hour day shall be recorded on the employee timecard as eight (8) hours of paid holiday leave, and one (1) hour to be deducted from either the employee's regular vacation or sick leave accrual, at the discretion of the employee. The one hour of vacation or sick leave time used in conjunction with an eight (8) hour holiday to represent a nine (9) hour absence, will be counted as an hour of work for FSLA overtime calculations. All scheduled paid holidays for all regular employees shall be counted as hours worked for FSLA overtime calculations.

Any holidays worked by employees will be paid for as a regular 9/80 workday plus time and one-half (1-1/2) for actual time worked, not to exceed the customary 9/80 hours regularly scheduled for that workday. Any time worked on such a holiday in excess of the customary 9/80 hours regularly scheduled for that workday, shall be paid as double time or two times (2x) the regular hourly rate.

Section 3: Holidays Observed

The following shall be observed as paid holidays for all full-time, regular employees:

- New Year's Day
- Martin Luther King's Birthday
- Abraham Lincoln's Birthday
- Presidents' Day
- Cesar Chavez's Birthday
- Memorial Day
- Independence Day
- Labor Day
- Columbus Day
- Veteran's Day
- Thanksgiving Day
- Friday following Thanksgiving Day
- Two Floating Holidays of employee's choice
- Christmas Day
- Christmas Eve Holiday (observed the last working day prior to the observed Christmas Day Holiday)
- State/Government Holiday*

When a holiday falls on a Sunday, the following Monday shall be observed as the Holiday. When a holiday falls on a Saturday, the preceding Friday will be observed as the Holiday.

The Executive Director or his/her designated representative, has the option to move holiday observances to better fit the local practices.

* Every day appointed by the President of the United States or the Governor of the State of California as a holiday, or any day or part of a day declared by the Board of Commissioners, by resolution, to be a holiday.

Section 4: Holiday During Vacation

If a legal holiday as designated above occurs during a vacation period of an employee, the day shall not be charged to annual leave, but shall be charged as a holiday.

Section 5: Use of Floating Holidays

Floating holidays shall be taken as follows: The first floating holiday shall be taken between January 1 and June 30 of the calendar year. The second floating holiday shall be taken between July 1 and December 31 of the calendar year.

New employees hired after July 1st in any year are only entitled one (1) Floating Holiday for that calendar year.

Floating holidays are forfeit if not taken during the prescribed time period and unused floating holidays may not be carried over from the first half of the year into the second or into a subsequent calendar year (as applicable). Further, unused floating holidays may not be converted into cash for purposes of payout either during the year or if they remain unused at the end of the year. Floating holidays may not be utilized by a probationary employee prior to completion of ninety (90) days after initial employment, but, as an exception, may be carried into the next half-year if unable to be used as a consequence of the employee's probationary period.

Section 6: Part-Time Employees

For accounting purposes, part-time, regular employees shall have qualifying holiday hours calculated on a pro-rated basis. However, no annual leave will be required to compensate for the difference between the calculated pro-rated holiday entitlement and a traditional eight (8) hour holiday. Pro-rated holiday hours shall be determined by dividing the usual number of hours worked per biweekly payroll period by "80"; converting the dividend to a percentage; multiplying the percentage by eight (8) hours, and rounding the product to the closest higher whole number.

ARTICLE 23 - Annual Leave And Wages In Case of Death

In case of a separation of employment due to the death of an employee, their estate shall be paid all wages or salaries earned, plus any annual leave accrued; up to, and inclusive of, the date of separation from employment.

ARTICLE 24 - Bulletin Boards

The Employer shall provide the Union with space on bulletin boards in areas where the Union has employees it represents for the purposes of posting Union notices. Such notices may be posted by the steward. Although not limited to the following notices, they may include:

- A. Recreational and social events of the Union.
- B. Union meetings.
- C. Union elections, appointments.
- D. Results of Union elections.

ARTICLE 25 - Work Rules

Work rules are defined to be employee regulations upon which disciplinary action may be taken.

All existing and future work rules shall be subject to mutual agreement before becoming effective.

ARTICLE 26 - Political Activity By Employees

Political Activities of employees of the HACM are governed by the provisions of the California Government Code § 3201 et. seq; and of the Federal Hatch Act (5 U.S.C. § 7301 et. seq.). All HACM employees are covered by the prohibitions of state law contained in Government Code sections 3201 through 3209 concerning political activities. In addition, any HACM employees who are paid, in whole or in any part with federal grant moneys or loans, or whose principal employment is in connection with any activity or program financed in whole or in part by grants or loans made by the United States or any U.S. Federal Agency are also subject to the political restrictions of the Federal Hatch Act.

In general, subject to restrictions described below, HACM officers and employees have a right to voluntarily participate or refrain from participating in political activities as individuals and on their own time.

Employees may not engage in political activity during working time or on any HACM property (including while driving or riding in any HACM vehicles). Additionally, employees may not engage in political activity when wearing or carrying any part of a HACM uniform or insignia that is visible and not completely obscured from view.

No employee is permitted to use HACM funds, equipment, or resources of any kind for political purposes.

Employees who are covered by the Hatch Act are also prohibited from being a candidate for elective public office in a partisan election, or using his or her official authority or influence for the purpose of interfering with or affecting the result of an election or nomination for any political office.

The above restrictions are not exhaustive. Employees have an individual responsibility to be aware of and refrain from any other prohibited activities under State and Federal Law as such laws may change from time-to-time.

Any violation of this section shall result in the Employer taking appropriate disciplinary action up to and including termination of employment.

ARTICLE 27 - Impasse Procedures

If, after a reasonable duration and number of meetings during which good faith negotiations have failed to produce agreement on an issue that is a mandatory subject of bargaining under the Meyers-Milias-Brown Act (MMBA), any party may declare that attempts to reach agreement have reached impasse. Such declaration shall be in writing.

If any party issues such a declaration of impasse, the parties shall, within ten (10) calendar days, consult with each other to set a date to hold an "impasse meeting". Such impasse meeting shall be held as soon thereafter as can be mutually agreed.

The Parties may mutually agree to mediation at any time after the declaration of impasse, and before or after the impasse meeting is held. If mediation is agreed to, the Parties may waive the holding of an impasse meeting.

If a mediation and/or impasse meeting is held; the parties agree to present a summary of their respective positions at point of impasse to the other at the beginning of mediation and/or the impasse meeting.

In the event mediation is agreed to, the Employer shall, within ten (10) calendar days, draft and send the joint request for assignment of a mediator to the State Mediation and Conciliation Service, a Division of the Public Employment Relations Board, State of California.

Mediation shall be confidential, and neither party may take a public position, or make any public statements about the issues prior to the conclusion of mediation. Additionally, parties may not disclose the views, statements and/or opinions of the mediator or make any statements/disclosures about the mediation process before, during or after the completion of mediation. Either party may terminate the mediation process at any time.

Nothing in this section shall affect the rights of the Parties under the MMBA or PERB regulations. To the extent that any provision of this section is in conflict with the MMBA or PERB Regulations, the MMBA and PERB Regulations shall supersede. All remaining portions of this section shall be read as excluding any invalid portions. To the extent the remaining portions can be conformed to the requirements of the law, they shall remain in full force and effect. The use of impasse procedures or mediation contained in this section operate to toll limitations periods provided for in PERB Regulations, the MMBA or State Law unless otherwise expressly provided for in a written agreement to toll timeframes signed and dated by all parties. Any agreement to toll timeframes shall operate to extend the limitations period from the date signed by all parties, but shall not operate to restore portions of the limitations period consumed prior to the date of agreement.

ARTICLE 28 - Savings Clause

In the event any article, section or portion of this agreement should be held invalid and unenforceable by any court of competent jurisdiction, such decision shall apply only to the specific article, section or portion thereof specifically specified in the court's decision. Upon issuance of such a decision, the Employer and the Union agree to immediately negotiate a substitution for the invalidated article, section or portion thereof.

ARTICLE 29 - Term of Contract/Termination

This agreement shall be effective upon ratification by all parties, and shall remain in full force and effect until 11:59pm on January 31, 2020. Either party shall notify the other in writing at least sixty (60) days prior to the anniversary date that it desires to modify this agreement. In the event that such notice is given, negotiation shall begin not less than thirty (30) days prior to the anniversary date. This agreement shall remain in full force and be effective during the period of negotiations and until notice of termination of this agreement is provided to the other party.

ARTICLE 30 - Labor Management Committee

The Employer and the Union agree to form a Labor Management Committee to meet at times mutually agreed upon to discuss labor-management issues and ideas.

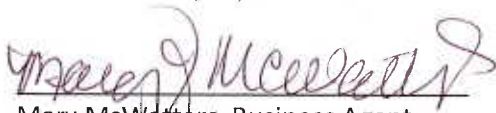
The Committee shall be made up of two members assigned by the Employer, one of which must be a management employee of the Housing Authority; and two members assigned by the Chapter Board, at least one of which must be a full-time employee of the HACM and member of the union. Each side may appoint their second member either from employees of the HACM or paid professional representatives of the Employer or Union.

The intent in forming this Committee is to provide a forum for the informal discussion of issues and the free exchange of ideas and suggestions. The charge of the Committee does not include negotiation of matters covered in the Memorandum of Understanding or other mandatory subjects of bargaining including wages, hours, and other terms and conditions of employment. The Committee may meet quarterly.

EXECUTION:

For AFSCME Local 2703:

Date: 5/2/17


Mary McWatters, Business Agent

For The Housing Authority of the County of Merced:

Date: 5/3/17


Rachel Torres, Board Chair

Date: 4/21/17



Celso Garcia, Negotiations Team

Date: April 19, 2017




Rosa Vazquez, Executive Director

Date: 4/5/17




Britt Lemas, Negotiations Team

Date: 4/19/17



Brian Watkins, Finance Officer

Date: 4/21/17



Samuel Arrellano, Negotiations Team

Date: April 19, 2017



DAVID G. RITCHIE, Chief Negotiator