

MEMORANDUM OF UNDERSTANDING

May 1, 2014 - June 30, 2017

BETWEEN

CITY OF SAN JUAN CAPISTRANO

AND

**SAN JUAN CAPISTRANO CLASSIFIED EMPLOYEES
ASSOCIATION**

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AGREEMENT

This agreement is entered into by the parties on behalf of the City of San Juan Capistrano (hereinafter known as "the City") and the San Juan Capistrano City Employees Association (hereinafter known as "the Association"), in accordance with the provisions of Section 3500-3510 of the California Government Code, otherwise known as the Meyers-Milias-Brown Act, and the Employer-Employee Relations Resolution of the City of San Juan Capistrano for the period of time commencing July 1, 2014 through June 30, 2017. All provisions of this agreement are effective upon adoption of this agreement by the City Council unless otherwise specified.

RECOGNITION

The City recognizes the Classified Association as the "recognized employee organization" for all employees within the unit of representation, consisting of regular full-time employees in the following classifications:

Accountant	GIS Specialist
Accounting Clerk	Human Resources Assistant
Accounting Specialist	Public Works Specialist I
Administrative Coordinator	Public Works Specialist II
Administrative Specialist	Office Assistant
Assistant Engineer	Permit Technician
Assistant Planner	Planning Technician
Associate Engineer	Senior Accounting Specialist
Associate Planner	Senior Citizen Program Coordinator
Building and Grading Inspector	Senior Executive Assistant
Code Enforcement Officer	Senior Public Works Specialist
Executive Assistant	Receptionist
Community Services Coordinator	Senior Permit Technician
Construction Inspector	Utilities Operator I
Chief Plant Operator	Utilities Operator II
Customer Service Representative	Utilities Operator II-Groundwater Treatment Plant
Engineering Assistant	Utilities Operator III
Customer Service Supervisor	Utilities Operator III-Groundwater Treatment Plant
Engineering Technician	Utility Programs Supervisor
Associate Civil Engineer	Utilities Superintendent
Field Customer Service Representative	Utilities Trainee Public Works Supervisor
Housing Coordinator/Assistant Planner	
Water Conversation Coordinator	
Water Construction Inspector	

The City agrees to support the inclusion of the regular part-time employees into the unit of representation. Should inclusion of the regular part-time employees occur during the term of this agreement, the Association shall give the City 30 days' advance notice. These employees would be included in the unit of representation at the salary and benefit levels in place at time of inclusion.

I. SALARY

- July 1, 2014 – 3.4% Wage Increase (eliminate the 0.4% yearly December payment)
- July 1, 2015 – 3.0% Wage Increase
- July 1, 2016 – 3.0% Wage Increase

II. OVERTIME

Whenever, at the discretion of the appointing authority, an employee works beyond forty (40) hours in a work week, such person shall be compensated for such overtime work to the nearest 15 minutes at time-and-one-half his/her regular compensation, or receive compensatory time off earned at time and one-half rate. Whenever, at the discretion of the appointing authority, an employee works beyond twelve (12) hours in one work day, such person shall be compensated for such overtime to the nearest 15 minutes at double the rate of his/her regular compensation, or receive compensatory time off earned at double rate. Compensation for overtime shall be in the form of pay, unless the affected employee requests compensatory time. Management shall have the right to deny payment in the form of compensatory time.

The employee may accumulate and hold for future use no more than 220 hours at any one time of compensatory time, and at the end of the fiscal year, may carry over no more than 80 hours of compensatory time for use in the next fiscal year. Compensatory time may only be cashed out at original rate of accrual. Prior to the implementation of any salary adjustment, all accumulated compensatory time must be taken as paid leave subject to the approval of the department head or paid out as compensation. All other overtime hours accumulated to that point shall be paid at the end of the fiscal year. Such compensatory time off is subject to approval of the Department Head and Personnel Officer.

Overtime requested by an employee to adjust the employee's work schedule shall be considered flex time and is not subject to compensation at the rate of time and one-half.

Overtime shall be assigned/offered to full-time, regular employees before being assigned/offered to part-time or temporary employees. Part-time or temporary employees may work overtime only if no full-time regular employee is available and/or interested in working the overtime.

The City shall assign overtime with due regard to an equitable and fair distribution of work, whenever possible.

III. OVERTIME WORK ON HOLIDAYS

The "day is the day" concept shall apply. All hours worked on a holiday are paid at time and one-half.

IV. BILINGUAL PAY

Qualified employees who meet the following criteria shall receive a monthly stipend in recognition of their ability:

1. Employee must be assigned by the City Manager or his/her designee to speak and/or translate written material in a language in addition to English. This includes such specialized communication skills as sign language.
2. Employees must, as needed, speak and/or translate a second language.
3. Employees able to communicate and/or translate verbal information shall receive an additional \$85 per month.
4. Employees able to translate verbal and written information shall receive an additional \$125 per month. Employees assigned to translate written information will be required to be certified as qualified by the City.

The City, at its discretion, may reassign an employee from a bilingual assignment to a position which does not require a bilingual assignment. An employee in a bilingual assignment may request assignment to a position that does not require bilingual assignment. The request shall be made in writing to the City Manager, who will consider it according to the needs and availability of a qualified replacement.

V. UNIFORM/WORK BOOT ALLOWANCE

The City will provide uniform shirts, pants and work boots to all field positions in the unit of representation as follows:

Pants - City will provide uniform pants, or provide an allowance of \$360 for the purchase uniforms pants. Employees must elect at the beginning of each year which option he/she will adopt for that fiscal year. Those electing the allowance will receive this amount on the first pay period ending in July of each year.

Shirts – City will provide a selection of uniform shirts (a style to be determined) that will be required to be worn by all field personnel in all departments. These shirts are to be worn by the following classifications: Water Technician I, II and III, Water Production and Distribution Supervisor, Maintenance Worker Trainee, Maintenance Worker I and II, Sr. Maintenance Worker, Construction Inspector, Senior Building and Grading Inspector, Building and Grading Inspector, and Code Enforcement Officers, or other positions as deemed necessary to provide identification and uniformity in the field. The City will bear the cost of acquiring these shirts annually. The City agrees to

establish a committee including three (3) bargaining unit members for input into the decisions regarding the uniform policy.

Work Boots – The City will provide a work boot reimbursement up to \$160 per pair of work boots for all field positions in the unit of representation. Reimbursement shall be provided for up to two pairs of work boots per year.

All field personnel will be required to wear uniforms during working hours. City Jackets- Shall be provided to employees as needed, but no more than once per year.
City Hats - Shall be provided to employees as needed.

VI. DEFERRED COMPENSATION PROGRAM

City employees may elect to have a portion of their salary withheld. The deferred amount is tax free until actually received and is invested in the meantime. As prescribed by applicable laws or plan provisions, funds may be withdrawn upon resignation, retirement or to a beneficiary upon death.

The City shall establish a deferred compensation “matching fund” and match voluntary employee contributions up to \$20 (twenty dollars) per month.

VII. RECOGNITION BONUS

I. The City shall grant a \$100 recognition bonus for certifications above and beyond requirements of position and used for the benefit of the City. The following list contains several certifications obtainable by city employees and of value to the City.

To qualify for certification, the following parameters must be met:

The Certification must be issued by a governing or sanctioning professional body such as America Water Works Association or the American Institute of Certified Planners.

The certification must be obtained through a course of study either at an institution or through home study and attaining the qualified skill level proven through testing by the sanctioning body. Certifications that are not on the list of approved certifications below must be approved by the City.

The following list contains several certifications obtainable by City employees and of value to the City:

- i. Playground Safety Inspection Certificate
- ii. Arborist Certification
- iii. Pesticide Applicator and Advisor Certifications
- iv. American Institute of Certified Planners Certification
- v. International Conference of Building Officials (ICBO) certificates, to include:

- Plans Examiner
- Housing Inspector
- Mechanical Inspector
- Plumbing Inspector
- Combination Dwelling Inspector
- Electrical Inspector
- Light Commercial Combination Inspector

vi. American Association of Code Enforcement certificates, to include:

- Certified Zoning Enforcement
- Officer, Certified Housing Enforcement Officer
- Certified Code Enforcement Administrator

vii. Class "A" Driver License, including all costs associated with maintaining the license. Employees holding this certification shall receive the recognition bonus annually on the first pay period in July of each year.

VIII. PAYMENT FOR REQUIRED UTILITIES CERTIFICATES

For the positions shown below, the City shall pay \$300 annually for each certificate that is required as part of the position's job description. Certificates shall be issued by the California Department of Public Health (DPH) or the California Water Environment Association (CWEA). The City will also pay \$300 annually for up to one certificate above that which is required in an employee's job description. Additionally, the City shall reimburse test fees for certifications. This reimbursement is limited to the first and second attempt, if necessary.

The City shall pay \$300 annually for up to five (5) employees to hold a County of Orange Environmental Health Certified Backflow Tester certificate. Those employees holding these certificates effective July 1, 2009, will be included and additional employees will be added in chronological order based on the date of their certification by the County of Orange up to a total of five (5) employees. Additional employees receiving such certification when five (5) employees are already in place will be placed on a waiting list in chronological order based on their certification by the County of Orange. Employees who have been trained and received certification through the City will be required to maintain their certification until another individual is available to fill their place from the waiting list.

Construction Inspector	Utilities Operator III-Groundwater
Water Construction Inspector	Treatment Plant
Field Customer Service Representative	Utilities Superintendent
Utilities Operator I	Utilities Trainee
Utilities Operator II	Utility Programs Supervisor
Utilities Operator II-Groundwater Treatment Plant	Utilities Operator III

IX. MILEAGE REIMBURSEMENT

City employees shall receive mileage reimbursement in accordance with IRS standards.

X. RIDE SHARE PROGRAM

Employees who carpool, walk, bike, take the bus or the train at least twice per week shall, at the end of the fiscal year, be eligible for nine (9) hours of additional floating holiday time in the next fiscal year.

XI. TUITION REIMBURSEMENT PROGRAM

The City will provide an annual educational incentive equal to full time tuition at a California State University for a degree from an accredited college or university or certificate program, up to a maximum of \$5000/year. There will be no limit on the cost of each degree.

The City will provide up to \$20,000 annually for all Classified and Professional/Management employees to participate and carryover any remainder to the next fiscal year, up to a total pool amount of \$35,000. If annual requests exceed amount available, amounts would be pro-rated based on requests. Program details are identified in Administrative Policy No. 214, Employee Tuition Reimbursement Program.

XII. SAFETY INCENTIVE PROGRAM

The City's Safety Committee shall finish the work started on the IIPP.

XIII. WORK DAY AND WORK WEEK

The official work week of the City of San Juan Capistrano shall be forty (40) hours from Friday at mid-workday to the following Friday at mid-workday. The official workday shall be Monday through Thursday from 7:30 a.m. to 5:30 p.m. and Fridays from 7:30 a.m. to 4:30 p.m., with alternate schedules to meet Department operations or to meet special employees' needs due to transportation or caregiver issues.

It shall be the duty of each department head to arrange the work of the department so that each employee therein shall work not more than five (5) consecutive days in each calendar week except that a Department Head, with approval of the City Manager, may require any employee in the department to temporarily perform service in excess of the designated work day or workweek when public necessity or convenience so requires. Department Heads will not temporarily change an employee's regular work schedule to avoid payment of overtime.

XIV. EMERGENCY STAND-BY/CALL OUT

Employees who are in classifications that require the performance of stand-by duty as an essential function of their position, shall during "off hours" 1) monitor the duty phone and/or pager, 2) remain in the local area (no more than 20 miles from City Hall site), 3) remain fit for duty, and 4) respond to any and all call outs within 15 minutes.

Employees shall be compensated at the rate of California's minimum wage for every hour or portion of an hour while on stand-by duty. Calls for service shall be reported and compensated at the overtime rate of pay pursuant to Section 6.20 of the Personnel Rules and Regulations. Calls for service requiring the employee to respond to the field shall be paid at a two hour minimum. Multiple calls received within any two hour period already being paid will not result in an additional compensation. Additionally, call outs that result in the two hour minimum period overlapping into the regular work schedule will revert to regular pay at the beginning of the regular work day. For each hour or portion thereof of work performed and compensated as overtime during "off hours", stand-by pay shall be reduced by the amount of overtime hours incurred.

At the option of the Department Head, employees may either receive their stand-by compensation as compensatory time off or as compensation in the current pay period. Consideration shall be given to effectuating the wishes of employees. Employees with existing compensatory time balances of at least two-hundred twenty (220) hours shall not be eligible to receive stand-by compensation as compensatory time.

Employees not on stand-by status when called out to the field for an emergency shall be compensated at the overtime rate of pay pursuant to Section 6.20 of the Personnel Rules and Regulations with a three hour minimum. Additionally, employees not on stand-by status who have not physically worked their regular number of workday hours, shall, when called out on a bona-fide emergency, be paid at 1 ½ times their regular pay for all bona fide emergency hours worked.

Scheduled overtime does not constitute a bona-fide emergency. Bona-fide emergencies are those that occur due to a natural disaster such as fire, flood, earthquake, storm, or landslide. They may occur due to damage to the infrastructure of the city such as inoperative valves, pipeline breaks, leakage in potable or sewage systems or traffic control lights. Traffic accidents may trigger bona-fide emergencies if they require City employees to repair or clean up damage or assist with traffic control. Citizen complaints that require after-hours attention are bona-fide emergencies.

Classified employees who occasionally receive phone calls outside of their regularly scheduled working hours from stand-by personnel or personnel on an emergency call-out, to get supervisory direction, shall receive a minimum of 30 minutes of regular pay for each phone call.

XV. VACATION

a. Vacation Accrual

Classified employees shall accrue vacation hours based on the following schedule:

<u>Length of Service Annual</u>	<u>Hours Accrued</u>
0 - 3 years	80
4 - 7 years	132
8 - 10 years	148
11 - 19 years	164
20 years or more	172

Accrual at the next highest increment rate shall commence on the first day of the fourth, eighth, eleventh and twentieth year of employment, respectively. The maximum amount of vacation which may be accrued by classified employees shall be 340 hours. The maximum amount of vacation time which will be compensated in cash upon separation from City service shall be 340 hours. It shall be the responsibility of the employee and the Department Head to assure that employees utilize credited vacation leave within the limitations set forth herein.

Effective January 1, 2015, the maximum amount of vacation time, which may be accrued and used, for time-off shall be 300 hours; vacation accrual shall cease upon reaching 300 hours. The maximum amount of vacation time, which will be compensated for in cash upon separation from City, shall be 300 hours. It shall be the responsibility of the employee to utilize credited vacation leave within the limitations set forth herein.

Bargaining unit employees who have reached the maximum accrual of 300 hours shall have the right to "cash out" up to 40 hours of vacation per fiscal year if they have used at least two weeks of vacation within the previous 12 months, and obtain approval from their Department Head. Requests to "cash out" vacation based on the criteria stated above may be submitted when a bargaining unit employee reaches 280 hours. The hours will be paid out to the employee during the pay period when the employee reaches the 300 hour limit to avoid the loss of any accrual due to the limit being reached.

On January 1, 2015, vacation accruals that exceed 300 hours will be reduced to 280 hours and set aside in a separate bank, which shall be used before other vacation leave hours.

b. Vacation Usage

Total vacation allowance shall be based upon the number of months of City service computed to the nearest half month. It shall be the responsibility of the employee and Department Head to assure utilization

of credited vacation leave within the limitations set forth herein.

The time during the calendar year at which an employee may take vacation leave shall be determined by the Department Head but with due wish of the employee and particular regard for the needs of the City. Eligible employees shall accrue vacation beginning with the date of hire. Any employee wishing to schedule vacation in excess of 10 working days must receive the approval of the Personnel Officer at least 30 days prior to the vacation time. The employee will receive a response within 14 days of submittal. Vacation time or any leave time requiring any combination of vacation, administrative leave, comp time, or holiday pay in excess of 10 consecutive working days shall be granted only in cases where special non-recurring conditions are present and will be based on the City's ability to provide adequate service coverage during the employee's absence.

c. Vacation Benefits for Terminating Employees

In the event of termination of employment, the employee shall be paid for any accrued vacation leave and compensation time which has accrued within the limits specified above.

d. Holidays Occurring During Vacation

When one or more legal municipal holidays fall within a vacation leave, such day or days shall not be charged as the vacation leave. Under these circumstances, an employee's vacation leave shall be extended accordingly for those employees eligible for such holidays.

XVI. SICK LEAVE

Sick leave shall mean the time during which an employee is permitted to be absent from the duties of City service by reason of sickness or injury which incapacitates or prevents the employee from performing assigned duties, without any deduction being made from salary or compensation, and shall include, in certain cases, serious illness or death of a member of the employee's immediate family.

It will be the responsibility of the Department Head to periodically review the use of sick leave in the department. Use of sick leave may be used as a factor in determining employee performance for employee evaluations. The legitimate use of FMLA qualified sick leave shall not be used as a factor in determining employee performance for evaluation.

a. Sick Leave Allowance

All regular full-time employees shall be entitled to eight (8) hours sick leave for each calendar month of service. There shall be no limit on the amount of sick leave which may be accumulated.

b. When Sick Leave May Be Taken

Sick leave may not be used until it is earned and shall be taken only in case of actual and necessary sickness or disability of the employee. Eligible employees may utilize a maximum of ninety-six (96) hours of accumulated sick leave with pay in the event of 1) the employee's presence is required elsewhere because of family medical and dental appointments, serious illness, injury, disability or death of a member of the employee's immediate family; 2) official order to appear in court as a litigant or as a witness; and 3) personal necessity as defined and limited below.

Personal necessity leave can be used by an employee at a rate of 24 hours per year for absences other than illness or disability and the absences shall be deducted from accumulated sick leave. Sick leave or personal necessity leave is not intended for taking care of personal business which could be taken care of at another time.

Personal necessity is considered to be:

- i. a personal matter that requires your attention which cannot be taken care of except during the normal working hours; or
- ii. a matter that requires your attention, such as a hot water heater flooding your home, fire or robbery.

The nature of the personal necessity need not be disclosed in writing on the Absence Request Form, but it shall be discussed with the employee's Supervisor, Department Head, and the Personnel Officer or his designee. This information shall be treated confidentially by all parties involved.

Sick leave shall not be used in lieu of or in addition to vacation for the intent of extending vacation. When an employee is compelled to be absent from employment by reason of injury arising from and in the course of City employment as determined by the workers' compensation law, the employee may elect to apply accrued sick leave, if any, in such amount that when added to workers compensation benefits equals the employee's gross salary. Earned vacation time and compensatory time off may be utilized in a similar manner.

c. Notification of Illness by Employee

An employee on sick leave shall notify their supervisor no later than one (1) hour after the time set for beginning daily duties. When on FMLA leave, the employee will be required to notify the City in compliance with the Family Medical Leave Act.

d. Return From Sick Leave

Upon returning from sick leave, a physician's certificate may be required if, in the opinion of the Department Head, it appears that an employee is abusing sick leave privileges or to determine the validity of the employee's absence during the time for which sick leave was requested.

Any employee absent from duty on sick leave for three (3) consecutive work days due to illness or accident may, at the discretion of the Department Head, be required to submit to a physical examination by a physician designated by the City to determine fitness to return.

e. Sick Leave Payout Prior to Separation of Employment

At the employee's request, the City will compensate in cash or in time off for unused sick leave accrued above 288 hours. The compensation formula will be consistent with the payout levels established in Section 7.13 of the Personnel Rules and Regulations, based upon years of service.

f. Sick Leave Compensation Upon Termination of Employment

City employees who terminate employment within the City shall be compensated in cash for unused sick leave at final rate of pay based on the following:

<u>Employees Hired Before July 1, 1999</u>		<u>Employees Hired On or After July 1, 1999</u>	
Less than 2 years:	None	Less than 2 years:	None
2 to less than 15 years:	50%	More than 2 years:	50%
15 to less than 20 years:	75%		
20 or more years:	100%		

There shall be no maximum amount of unused sick leave eligible for cash compensation subject to the foregoing schedule.

g. Annual Sick Leave Incentive Program

Employees with greater than 288 hours of sick leave and who have used two days or fewer in the previous fiscal year shall have the right to cash-out up to two days of sick leave at 100% the following July 15th.

XVII. BEREAVEMENT LEAVE

An employee shall be granted a leave without loss of pay in case of death of a member of the employee's immediate family. Such leave is designated as bereavement leave. Up to five (5) days leave without loss of pay shall be granted for the death of a member of the employee's immediate family. Immediate family as used in this section is defined as the employee's spouse, child, foster child, grandchild, stepparent, legal guardian, stepchild, parent, brother, sister, grandparent,

grandparent-in-law, mother-in-law, father-in-law or:

- a. Any other relative by blood or marriage who is a member of the employee's household. (Employees may be required to submit proof that the deceased relative was a member of the employee's household prior to the time of death.)
- b. Any other relative of the employee by blood or by marriage where it can be established by the employee that as a result of such relative's death, the employee's presence is required to handle funeral arrangements and/or matters of estate.

In addition, bereavement leave may be granted on a case by case basis under other circumstances at the discretion of the City Manager when it is in the best interest of the City to do so.

Time off beyond these parameters shall be charged to any type of available leave.

Temporary and part-time probationary and regular employees shall not be eligible for bereavement leave.

XVIII. SCHOOL ACTIVITY LEAVE

Pursuant to California Labor Code Sections 230.7 and 230.8, parents, guardians and grandparents having custody, of school-age children shall be allowed leave from their jobs, with or without pay, as may be necessary to participate in school activities such as parent-teacher conferences, disciplinary matters, school programs and related events with their children. Such leave is limited to 40 hours per school year, at a maximum of 8 hours per month. Employees must give reasonable advance notice to the employer to permit work coverage, and may be required to provide documentation from the school that the employee participated in the activity on the specific date and time. Leave properly requested in advance shall not be denied.

XIX. JURY DUTY LEAVE

Regular and probationary employees who are summoned to serve on jury duty or subpoenaed as a witness in any court in this State of the United States, or any administrative board of tribunals, shall be entitled to a leave of absence with pay while serving. Employees may keep fees and fees for mileage received while serving. Employees must return to work if not required to attend jury duty on a particular day.

XX. DONATION OF BLOOD LEAVE

The City shall grant each employee in the unit of representation reasonable time off for the purpose of making a donation of blood. No charge will be made against vacation, sick or any other type of leave when such absence is approved in advanced by the employee's supervisor/department head.

XXI. FAMILY CARE LEAVE

a. General Provisions

- i. Family Leave shall be granted to the extent required by law, including the following situations:
 1. An employee's serious health condition.
 2. The birth of a child or placement of a child for adoption or foster care.
 3. An employee's presence is needed to attend to a serious health condition of the employee's child, spouse, parent or child of an employee standing in loco parentis (those with day-to-day responsibilities to care for and financially support a child).
- ii. Employees must request and identify their need for Family Leave. The City agrees that certain other types of leaves available to employees under this Agreement may meet the requirements of Family Leave pursuant to applicable law. The City may apply any time during which an employee is on such leave against the amount of Family Leave to which the employee is entitled.
- iii. Eligibility for Family Leave will be determined according to the requirements of applicable law.
- iv. When a request for Family Leave is approved, the department shall determine whether sick leave, compensatory, and/or vacation time is to be applied. Such determination shall be consistent with other leave provisions of this Agreement and shall give consideration to the circumstances and the wishes of the employee. The use of sick leave shall be restricted to those circumstances, which qualify under the provisions of the Personnel Rules and Regulations.
- v. The City will continue to pay agreed-upon medical contributions for the duration of an employee's approved leave, in accordance with the Federal Family and Medical Leave Act.

b. Notification Requirements

- i. If the Family leave is foreseeable, the employee must provide the department with thirty (30) calendar days notice of his or her intent to take Family Leave.
- ii. If the event necessitating the Family Leave becomes known to the employee less than thirty (30) calendar days prior to the employee's

need for Family Leave, the employee must provide as much notice as possible. In no case shall the employee provide notice later than five (5) calendar days after he or she learns of the need for Family Leave.

- iii. When the Family Leave is for the purpose of the scheduled medical treatment or planned medical care of a child, parent or spouse, the employee shall, to the extent practicable, schedule treatment and/or care in a way that minimizes disruption to City operations.
- iv. The City shall notify the employee that the employee is considered using leave per the FMLA as required by the Act.

c. Verification

As a condition to the approval of Family Leave, an employee may be required to furnish certification from the health care provider which states: (1) the date on which the condition commenced; (2) the probable duration of the condition; (3) an estimate of time that the employee needs to be off; (4) that the employee cannot perform his/her duties because of the employee's own serious health condition or that care is needed when the leave is for an eligible family member pursuant to applicable law.

XXII. ON-THE-JOB INJURY LEAVE

Whenever an employee is compelled to be absent from active duty due to an injury disability arising out of and in the course of employment, such employee shall be entitled to receive an On-the-Job Injury Leave With Pay for up to the first three consecutive working days of such absence. The granting of such leave shall be conditioned upon the following:

- a. the absence is at the discretion of a licensed medical physician or, other designated health care professional.
- b. supervisory personnel have been properly notified of such injury or disability and an on-the-job injury report has been properly completed and submitted.
- c. the injury occurred while the employee was performing work duties on the job.

Whenever the On-the-Job Injury Leave extends beyond the first three working days, the employee will be allowed to use accrued leave to supplement the Workers' Compensation allowance to achieve the equivalent of 100% of his/her salary.

XXIII. HOLIDAYS

All City employees shall have the following holidays with pay and shall not be required to work on such holidays except as hereinafter provided:

- a. January 1st (New Year's Day)
- b. Third Monday in February (Washington's Birthday)
- c. Last Monday in May (Memorial Day)
- d. July 4th (Independence Day)
- e. First Monday in September (Labor Day)
- f. November 11th (Veteran's Day)
- g. Fourth Thursday in November (Thanksgiving Day)
- h. The day following Thanksgiving Day
- i. December 24th (Christmas Eve)
- j. December 25th (Christmas Day)
- k. December 31 (New Year's Eve Day)
- l. Floating Holiday (20 hours)

Whenever a holiday falls on a Sunday not scheduled as a regular work day, the following Monday shall be observed as the holiday. Whenever a holiday falls on a Saturday not scheduled as a regular work day, the City will recognize the holiday on a case by case basis and observe it either on the Friday before the holiday or the Monday after the holiday, based on the needs of the community. The determination of the holiday observance will be made when the City issues the master holiday schedule each year.

Employees on a 9/80 schedule will be able to bank holiday hours for those holidays that occur on their flex day off. The following shall apply to the use of Holiday banked hours:

- banked hours will be capped at 24
- hours banked are not compensable – they cannot be cashed out
- banked hours must be used before any other kind of leave, except for sick leave
- employees will be strongly encouraged to use banked hours within a reasonable period of time, preferably by the end of each fiscal year.

An employee must have been paid for the entire amount of regularly scheduled hours of the days immediately prior to and following a City holiday in order to be paid holiday pay.

City Hall Holiday Closure Schedule:

From December 24, 2014 through January 2, 2015
From December 24, 2015 through January 1, 2016
From December 23, 2016 through January 2, 2017

Employees shall use appropriate accrued paid leave (not sick leave), or leave without pay to cover the closed days that would otherwise be work days.

Certain employees will be required to work to provide essential services. Essential services required to be provided during the closure will be determined by the City no later than July 1 of each year and notification will be provided to the employees required to work during the closure. Employees required to work during the closure will not be required to use paid leave during the closure and would be compensated at time and one-half for those hours worked on regular work days.

XXIV. WORK ON A HOLIDAY

Hours worked on a Holiday shall be paid at 1½ times employees' regular rate of pay. Any full-time employee who is required to work on a holiday shall be entitled to be paid for the holiday plus time and one half for all hours worked on the holiday or compensatory time off at time and one half. The "day is the day" concept shall apply.

XXV. FLOATING HOLIDAY

Probationary and regular full-time employee shall be credited with a total of twenty hours of compensated time off on July 1st of each year. The time(s) which the employee may elect to use shall be arranged with and approved by the employee's supervisor and Department Head and approved by the City Manager. The floating holiday must be used prior to June 30 or shall be forfeited.

XXVI. MEDICAL, DENTAL, VISION INSURANCE AND COBRA

The City provides medical, vision and dental insurance for City employees. The insurance becomes effective the first day of the month following the date of hire.

Medical Insurance - CalPERS

The City provides active employees in the bargaining unit up to the highest CalPERS HMO premium in each coverage category (E, E+1 or E+Family). If the plan the employee selects costs less than the highest HMO for his/her category, the employee's premiums are fully paid by the City and the employee does not receive the difference between the highest HMO amount and the cost of the plan he/she selects. If the plan the employee selects costs more than the highest HMO for his/her category, the difference is paid by the employee through pre-tax payroll deduction.

The City's "total" contribution is calculated by adding the cost of the City's dental insurance and vision insurance premiums to the highest HMO medical premium by coverage category. Together this is the "Highest HMO Amount".

Effective January 1 2015, and each year thereafter, the Highest HMO Amount will be compared to the Highest HMO Amount for the previous year by coverage type (E, E+1 or E+Family). Due to rate changes, the new Highest HMO premium may be a

different medical plan from a different health insurance carrier.

If the new Highest HMO Amount is larger than the previous year's total, the City's total contribution will increase by 75% of the increase. If the new Highest HMO Amount is the same or less than the previous year's total, the City's total contribution will remain the same.

Opting out of Medical Insurance

The City shall allow employees who show proof of group medical insurance coverage provided by a spouse, to opt out of the City's medical insurance coverage. The City shall provide to employees who wish to opt out of medical insurance coverage and meet the above criteria, an "opting out" amount of \$325 per month. Employees must remain enrolled in the City's dental and vision plans. These premiums will be paid for by the City.

Vision Insurance - Vision Service Plan

Dental Insurance – Aetna

Effective January 1, 2015, the maximum allowable benefits under the dental insurance policy limit will increase from \$1,000 to \$2,000.

COBRA

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) requires that the group health plans provide employees and their dependents the opportunity to continue health care coverage under the plan in certain circumstances where coverage under the group health plan would otherwise terminate. While the City must make continued health coverage available, it can charge qualified beneficiaries up to 102% of the cost of coverage if continuation of benefits under the group plan is desired.

Health Benefits While on Disability Leave of Absence

Whenever an employee is absent from work due to a physical or psychological injury or illness, the City shall maintain the employee's coverage under the City's group health plan on the same conditions as coverage would have been provided if the employee has been employed during the leave period, for a period not to exceed twelve (12) continuous months.

XXVII. IRS CODE SECTION 125 PLAN

The City shall set up a Cafeteria Plan, under IRS Code Section 125, to pay for medical, dental and vision premiums. The City shall provide to active employees in the bargaining unit a basic employee contribution amount equal to the PEMCHA minimum contribution amount (adjusted annually) and a cafeteria amount which added together equals a contribution amount as specified above in the previous

section (XXVI). Employees shall have the ability to elect which medical carrier to enroll with. Dental and vision insurance coverage shall also be a part of the cafeteria plan.

The City will provide classified employees the opportunity to participate on a voluntary basis in a Dependent Care Assistance Program (Section 129) under Internal Revenue Code Section 125, which allows employees to redirect part of their salary, before it is taxed, to be used for child, elderly and dependent care and eligible medical expenses.

XXVIII. RETIRED EMPLOYEE HEALTH CARE

The City provides employees with a retiree health savings plan established through ICMA-RC.

XXIX. LIFE INSURANCE

The value of life insurance coverage for each classified employee is the equivalent to the annual salary plus \$20,000.

XXX. CALPERS LONG TERM CARE

The City will offer this benefit at the sole expense of the employee.

XXXI. PRE-PAID LEGAL SERVICES

The City will offer this benefit at the sole expense of the employee.

XXXII. COLLEGE SAVINGS PROGRAM (529 PLAN)

The City will offer this benefit at the sole expense of the employee.

XXXIII. RETIRING EMPLOYEE RECOGNITION PROGRAM

The Retiring Employee Recognition Program provides for a salary incentive for long term City service. The guidelines and definitions for this program are detailed in Administrative Policy No. 223, Retiring Employees Recognition Program (Incentive for Long-Term City Service). Employees hired on or after July 1, 2009, are not eligible to participate in this program.

XXXIV. RETIREMENT PLAN

All full-time employees become a member of the Orange County Retirement System (OCRS). The City shall pay 3.6% of the employee's share of the retirement contribution for the first two years of employment. After two years of employment, the City shall pick up 100% of the employee's share of the retirement contribution.

Enhanced Retirement Benefit – The City has contracted with OCERS to provide an enhanced retirement program with the Orange County Employees Retirement System (OCERS) for the 2.7% at 55 based on an average three highest years salary benefit, effective January 1, 2004. This benefit will be applicable to all years of service. The Classified group has agreed to an additional payroll deduction in order to offset the increased cost of the employer share and employee share of the enhanced benefit. This additional deduction will be as follows:

Less than two years of service	4.47%
After two years of service	6.26%

Effective July 1, 2012, each employee shall pay 50% of the employee contribution that was being paid on behalf of the employee by the City prior to July 1, 2012. Effective July 1, 2013, each employee shall pay the full employee contribution to retirement and the City will no longer pay any portion of the employee's contribution to retirement. The intent of these changes is to have employee's paying the employee contribution to retirement and the City paying the employer contribution to retirement. The changes are being phased in two years with the first change taking effect July 1, 2012, and the second change taking effect July 1, 2013.

Effective January 1, 2012, any new employees hired on or after January 1, 2012, shall pay the full employee contribution to retirement with no payment of the employee's contribution by the City.

Effective on or about July 1, 2012, the City shall implement a second tier retirement formula (2% @ 57). This second tier retirement formula shall apply to all employees hired on or after the date the second tier formula becomes effective.

In accordance with the 2012 Pension Reform Act, effective January 1, 2013, the City shall implement a third retirement formula which shall apply to new employees who become new members, as defined by the Pension Reform Act, of the Orange County Employees Retirement System, on or after January 1, 2013.

Effective January 1, 2015, employees that are new to public service may choose between two retirement plan options:

1. The Orange County Employees Retirement System's 2.5% @ 67 defined benefit retirement formula.

Or

2. Hybrid Plan: The Orange County Employees Retirement System's 1.62% @ 65 defined benefit formula combined with a 401(a) defined contribution retirement plan. Employees who choose the Hybrid Plan may make voluntary and irrevocable contributions, including leave payouts, to the 401(a) defined contribution retirement plan. The City will match an employee's contribution to the 401(a) defined contribution plan up to one (1%) of the employee's base salary.

Eligible employees have thirty (30) days from the date of hire to elect the 2.5% @ 67 defined benefit retirement formula or the 1.62% @ 65 Hybrid Plan. In the event an eligible employee does not make an election during the thirty (30) day period, it will be deemed that the employee elected the 2.5% @ 67 defined benefit retirement formula.

XXXV. SHORT/LONG-TERM DISABILITY INSURANCE

Eligible employees shall receive short- and long-term disability coverage or income protection of up to two-thirds of salary during disability periods due to non-job related injury or illness. Benefits are payable after a disability elimination period of 14 days is satisfied.

XXXVI. ACTING STATUS

Shall be the temporary assignment of a regular or probationary employee to a higher level classification to fill a vacant position or to provide a replacement for an employee who remains on a leave of absence. Employees given an acting assignment for 14 calendar days or more shall receive acting status pay equivalent to the minimum salary rate for that position such that the minimum adjustment would be at least 5% above the employee's current salary with the approval of the Department Head and the Human Resources Manager. Acting status shall be retroactive to the first day and subject to no additional benefits.

An Acting Appointment shall generally be less than 12 months of duration and generally only last for the duration of the recruitment process. Extension beyond 12 months shall be subject to the approval of the City Manager. If the position or the employee is in one that falls under representation by one of the City's recognized employee associations, the appropriate association shall be informed of the extension and the reasons for the extension.

XXXVII. RECLASSIFICATION OF POSITION

Whenever a position is reclassified which is currently occupied by an incumbent who is satisfactorily performing the duties of the proposed position, the City shall place that incumbent in the reclassified position, without the need to undertake a recruitment. Such reclassifications shall not result in demotion.

A reclassification may occur when the essential duties of a position change due to new technology, new regulations or laws, reorganization within the city, or other compelling reasons that increase to a higher level the duties performed by the position.

The City shall notify the Association whenever a reclassification is to occur to allow the Association to request to meet and confer over the impact and salary of the position.

Reclassification of an employee in a reclassified position may occur, at the City's discretion, if s/he has been satisfactorily performing the duties of the position for at least six months, as evaluated by the Department Head.

Out-of-Class grievances that result in position reclassifications shall also result in the reclassification of the employee, provided s/he has been satisfactorily performing the duties of the position for at least 6 months, as evaluated by the Department Head.

XXXVIII. PROMOTIONS, TRANSFERS AND VOLUNTARY DEMOTIONS

a. Promotions

Promotion refers to the movement of an employee from a position in one class to another class imposing higher duties and responsibilities, requiring higher qualifications and providing a higher maximum rate of pay will be regarded as a promotion.

Insofar as practical and consistent with the best interest of the City, as determined by the Personnel Officer, vacancies shall be filled by promotion from within whenever qualified employees exist. Promotion - only classes will be established by the Personnel Officer in consideration of input from the Department Heads.

i. Requirements for Promotional Candidates

Only regular employees who meet the requirements set forth in the Classification Plan and who received a satisfactory overall rating at the time of their last performance evaluation may compete in promotional opportunities. Any employee who wishes to apply for promotional opportunity must also have completed at least six (6) months in their present position.

ii. Rejection Following Promotion

An employee rejected during or at the conclusion of the probationary period following promotional appointment shall be reinstated to the position from which promoted and shall be reinstated to the position or class, or comparable position or class from which promoted and shall receive credit for time served in the promotional position unless charges are filed and the employee is discharged in the manner provided for in these rules and regulations.

b. Transfers

A transfer occurs when an employee changes positions which are in the same classification having essentially the same maximum salary and requiring substantially the same qualifications. This may or may not involve a change of an employee's place of employment from one department to another.

i. Conditions for Transfer

An employee, who does not possess the minimum qualifications for an open position, shall not be transferred to that position. A qualified employee may be transferred, provided the transfer has been approved by

the employee's supervisor, the new supervisor and the Personnel Officer.

ii. Employee Requested Transfers

New employees who have completed their probationary period in their current positions may apply for a transfer. All other employees, who have worked a minimum of six (6) months in their current position, may apply for a transfer. A request may be submitted only when a vacancy exists. The employee's request for transfer will be considered on the basis of the employee's qualifications for the vacant position, the employee's best interests, and the best interests of the City. Requests for transfers must be received according to deadlines established by the Personnel Officer.

iii. Employer Initiated Transfers

The City of San Juan Capistrano reserves the right to transfer its employees from one position to another or one department to another, if the transfer is necessary for the purpose of economy or efficiency.

iv. Job Transfer Opportunities:

The City will consider lateral transfers and promotional opportunities to vacant positions within the same or similar job class for at least two weeks before they are opened competitively to non-employees. The employee requesting the transfer must have had a "satisfactory" rating on their last evaluation and meet the minimum qualifications for the position. **Employees eligible for transfer or promotional opportunities shall be given the opportunity to interview. The City would have no obligation to hire any of the applicants for transfer.**

c. Voluntary Demotion

A regular employee may request a voluntary demotion to a vacant position in a class with a lower maximum salary rate provided the employee possesses the qualifications of that class. Such requests must be filed with the Personnel Officer and require approval of the current Department Head and that of the Department Head of the vacant position.

XXXIX. PROMOTIONAL EXAMINATIONS

Promotional examinations may be conducted whenever, in the opinion of the Personnel Officer after consultation with the Department Head, the need of the service so requires. Promotional examinations may include any of the selection techniques or any combination thereof mentioned above. Only current employees who meet the requirements of the position may compete in promotional examinations.

XL. REGULAR APPOINTMENT FOLLOWING PROBATIONARY PERIOD

Original appointments to positions within the classified service shall be subject to a probationary period of no less than six months and no more than twelve months. At the conclusion of the probationary period, the employee will be notified of regular status, provided the appointing authority approves the action.

Achievement of regular employee status shall be based upon successful completion of a probation period, as determined by the Department Head and approved by the Personnel Officer.

Promotional appointments shall be subject to a probationary period of six months.

XLI. TERMINATION – RESIGNATION

An employee wishing to leave the City in good standing shall file with the immediate supervisor at least two (2) weeks before leaving the City a written resignation stating the effective date and reason(s) for leaving.

The resignation shall be forwarded by the Department Head to the Personnel Office and City Manager.

XLII. LAYOFFS AND RE-EMPLOYMENT

a. Conditions for Layoff

The City Manager, with the concurrence of the City Council, may abolish any position, because of material change in duties and organization, or shortage of work or funds. The employee holding such position or employment may be laid off without disciplinary action and without the right of appeal. No regular employee shall be laid off until all temporary and probationary employees holding positions in the same classification in the department are first laid off. Only those employees in the department assigned to the classification in which the position is to be abolished shall be involved in this layoff procedure.

b. Notice of Layoff

Employees to be laid off shall be given at least fourteen (14) calendar days notice.

c. Order of Layoff

1. Within the classification, employees will be ranked by seniority with the most senior employee given the highest ranking and the next most senior employee given the next highest ranking and so forth. For the purpose of this section, seniority shall be determined as total number of years of full-time employment with the City of San Juan Capistrano. This

category is given a weight of 30%.

2. Within the classification, employees will also be ranked by performance, based upon performance evaluations, official records, and/or qualified testing procedures where applicable. The employee within the classification with the highest performance rating shall be given the highest ranking and the next most competent employee shall be given the next highest ranking, and so forth. This category is given a weight of 40%.

- a. To establish the performance ranking, each employee performance evaluation must be rated. A rating of 1 to 5 on the overall evaluation rating is assigned accordingly:

Excellent	=	5
Above Standard	=	4
Meets Standards	=	3
Needs Improvement	=	2
Unsatisfactory	=	1

3. Within the classification, employees will also be ranked by skill set, based upon education, licenses, and certificates obtained, which increase an employee's overall value to the organization. The employee with the greatest skill set within the classification shall be given the highest ranking and the employee with the next highest skill set level shall be given the next highest ranking, and so forth. This category will be given a weight of 30%.

- a. To establish the ranking for skill set, the following point system shall be applied:

- i. Education

1. PhD.	=	4 points
2. Master's Degree	=	3 points
3. Bachelor's Degree	=	2 points
4. Associate of Arts Degree	=	1 point

A degree must be directly related to the position in order for it to be awarded a point value.

- ii. Licenses

Each professional license = 1 point

- iii. Certificates

Each certificate = .5 point

Certificates issued upon completion of a test conducted by a sanctioning body such as a governmental, professional, or

academic organization, are considered valid certificates. Training certificates that indicate that an employee participated in a training course or seminar are not awarded any point value; however, they would be incorporated into the performance evaluation.

d. Layoff Procedure

The Department Head will total the point values of the three categories (seniority, performance, and skill set) for each employee within the classification to determine the order of layoff. Employees will be laid off in order of the numerical ranking, that is, an employee with a lower ranking would be laid off before an employee with higher ranking.

e. Re-employment List

The names of persons laid off in accordance with these rules shall be entered on a re-employment list for one year, except that persons appointed to permanent positions shall, upon such appointment, be dropped from the list.

When a vacancy occurs in the subject class, the appointing authority shall consider the former employees from the re-employment list. It is the responsibility of the employee on a re-employment list to keep the City informed of his/her current address and telephone number, and availability for work.

f. Disability Separation

In the event an employee cannot perform the essential functions of his or her position due to an injury or illness, the City may provide up to twelve (12) continuous months of leave or modified duty. The City will continue to make the full contribution for health, dental, & vision premiums during the 12 continuous months that the employee is on unpaid leave in accordance with section XXVII.(E) If, after twelve (12) continuous months, the employee is unable to return to his/her regular duties the following will apply.

To the extent permitted under Federal and State law, an employee unable to perform the essential functions of his/her position, with or without reasonable accommodation, as a result of a physical or psychological illness or injury shall:

1. be separated from employment. Employees who are separated pursuant to this section shall be accorded procedural due process (i.e., notice and an opportunity to respond to the separation) in accordance with the appeal procedures for disciplinary actions outlined in these rules,

Or

2. be offered the opportunity to resign from his/her position with the City of San Juan Capistrano and placed on a re-employment list for a period not to exceed one (1) year. Any employee returning to work shall provide the Personnel

Officer verification from a medical practitioner that he/she can perform the essential functions of his/her position, with or without accommodation.

If during the period in which the employee is on the re-employment list, the employee is physically and/or psychologically able to resume the duties of his/her previous position and there is a vacant position in his/her classification, the employee will be entitled to return to that position.

Separation from employment under this section does not preclude the City or employee from applying for a disability retirement.

XLIII. GRIEVANCE PROCEDURE

a. Matters Subject to Grievance Procedures

A grievance shall be initiated through an informal first step when the employee notifies the supervisor verbally of his/her contention that the City has violated or misapplied a specific obligation expressed and/or written in the Personnel Rules and Regulations of the City. Personnel Division staff is available to assist Department Heads in such matters as the interpretation of Rules, documentation procedures and preparation of notices as requested.

b. Notification of Grievance

The second step in the grievance process shall be a written notice filed in a timely manner, on a form provided by the City which shall include at a minimum:

1. Nature of the grievance;
2. Date when the incident occurred;
3. Description of the incident;
4. Rule violated; and,
5. Specific remedy sought by the employee.

c. Steps in the Grievance Process

First Step

Within ten (10) working days after the occurrence of the incident involved in the grievance, the employee may initiate the grievance process by discussing the matter informally with his/her immediate. An attempt shall be made to resolve the grievance between the employee and the immediate supervisor. The supervisor shall deliver an oral or written response within ten (10) working days after submission of the grievance.

Second Step

If the grievance is not satisfactorily resolved in the first step, the grievance may be submitted in writing to the supervisor's supervisor, if any, within the department organization within ten (10) working days after the immediate supervisor's answer is received by the employee. After an attempt to resolve

the grievance between the employee and his/her designated representative, if any, the intermediate supervisor shall deliver a written answer within ten (10) working days after submission of the grievance. If there is no intermediate supervisor, the grievance shall go directly to the Department Head.

Third Step

If the grievance is not satisfactorily resolved in the first and second steps, it shall be submitted in writing to the employee's Department Head within ten (10) working days after the intermediate supervisor's answer is received by the employee. The Department Head shall meet with the employee and his/her designated representative, if any, within ten (10) working days after submission of the grievance to the Department Head. The Department Head shall review the grievance and may affirm, reverse or modify the disposition made at the first and second steps and shall deliver a written answer to the employee within ten (10) working days after said meeting.

d. Appeal of Decision

If the grievance is not satisfactorily resolved, the employee may appeal the decision of the Department Head to the City Manager. At the option of the employee, the grievance may be submitted:

- i. Directly to the City Manager, or
- ii. To an impartial arbitrator who will provide an advisory opinion to the City Manager prior to the consideration of the grievance by the City Manager, or
- iii. To a mediator from the State Mediation and Conciliation Service who will provide findings and recommendations to the City Manager prior to consideration of the grievance by the City Manager.

When the appeal is submitted to the City Manager, it shall specify whether the employee desires to have the appeal considered directly by the City Manager or reviewed first by an impartial arbitrator or state mediator. Such submission must occur within ten (10) working days after the Department Head's written answer is received.

e. Advisory Arbitration

An employee may elect to use an impartial arbitrator to provide an advisory opinion to the City Manager prior to the consideration of the grievance by the City Manager. After a hearing on the merits of the grievance and considering evidence from all parties concerned, the impartial arbitrator shall submit a written advisory opinion to the City Manager.

Within ten (10) working days after receipt of the written advisory opinion of the impartial arbitrator, the City Manager shall meet with the employee and his/her designated representative, if any, and other appropriate persons to assess the grievance. The City Manager may affirm, reverse or modify the disposition of the

grievance. The City Manager shall deliver a written decision to the employee within five (5) working days after said meeting. The City Manager's decision shall conclude the administrative appeals procedure.

If an employee elects to use an impartial arbitrator, the arbitrator shall be selected jointly by the employee and his/her designated representative, if any, and the City. The cost of the arbitrator, if any, shall be born equally by the employee and the City.

f. State Mediation

An employee may elect to use a certified mediator from the State Mediation and Conciliation Service to provide findings and recommendations to the City Manager prior to the consideration of the grievance by the City Manager. After a hearing on the merits of the grievance and considering evidence from all parties concerned, the certified mediator shall submit a written summary of his/her findings and recommendations to the City Manager.

Within ten (10) working days after receipt of the written summary of findings and recommendations from the certified mediator, the City Manager shall meet with the employee and his/her designated representative, if any, and other appropriate persons to assess the grievance. The City Manager may affirm, reverse or modify the disposition of the grievance. The City Manager shall deliver a written decision to the employee within five (5) working days after said meeting. The City Manager's decision shall conclude the administrative appeals procedure.

If an employee elects to certified mediator from the State Mediation and Conciliation Service, the certified mediator shall be selected jointly by the employee and his/her designated representative, if any, and the City. The cost of the certified mediator, if any, shall be born equally by the employee and the City.

g. City Manager

An employee may elect to submit the grievance directly to the City Manager for a final and binding decision. Within ten (10) working days after submission of the grievance to the City Manager, the City Manager shall meet with the employee and his/her designated representative, if any, and other appropriate persons to assess the grievance.

The City Manager may affirm, reverse or modify the disposition of the grievance. The City Manager shall deliver written decision to the employee within five (5) working days after said meeting, and such decision shall conclude the administrative appeals procedure.

h. Extension of Time

Any or all of the time limitations mentioned above with reference to filing and response times may be extended by mutual agreement between the employee and the City.

XLIV. FAIR EMPLOYMENT PRACTICE

The City of San Juan Capistrano assures any technique or procedure used in recruitment and selection of employees shall be designed to measure only the job-related qualifications of applicants. No recruitment or selection technique shall be used which, in the opinion of the Personnel Officer, is not justifiably linked to successful job performance. It is the policy of the City that no technique, procedure or policy in recruitment and selection shall be discriminatory to any group protected by state or federal legislation.

XLV. NON-DISCRIMINATION POLICY

The City shall offer equal employment to all persons without regard to race, creed, color, sex, age, national origin, religion, physical or mental handicap or veterans' status. No applicant is to be discriminated against or given preference because of these factors. This policy is intended to apply to recruiting, hiring, promotions, upgrading, layoffs, compensation, benefits, termination and all other privileges, terms and conditions of employment.

XLVI. CONTINUATION OF BENEFITS

All other fringe benefits previously granted and currently in effect to represented employees shall remain in full force and effect for the time period of July 1, 2014 to June 30, 2017 unless modified by the provisions of this agreement.

XLVII. SEPARABILITY

The provisions contained in this agreement have been bargained for and agreed to independently, and no particular clause, condition, or agreement is contingent or dependent upon any other; therefore, should any such clause, condition, or agreement be held to be void or unenforceable, the remainder of the terms and conditions of this agreement shall remain in full force and effect.

XLVIII. PERSONNEL RULES

Proposed changes to the Personnel Rules submitted during the negotiation of this agreement, including the establishment of time limits for conducting classification studies, are to be negotiated separately between July 1 and December 31, 2014. Such proposed changes are subject to meet and confer, to include impasse, mediation and fact-finding, if necessary.

Any such resulting changes to the Personnel Rules shall be incorporated into the Memorandum of Understanding by amendment where appropriate.

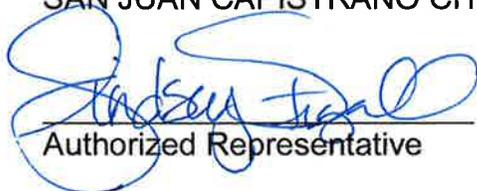
This agreement, entered into this 23rd day of June, 2014.

SAN JUAN CAPISTRANO MUNICIPAL
EMPLOYEES RELATIONS OFFICER



Karen P. Brust, City Manager

SAN JUAN CAPISTRANO CITY EMPLOYEES ASSOCIATION

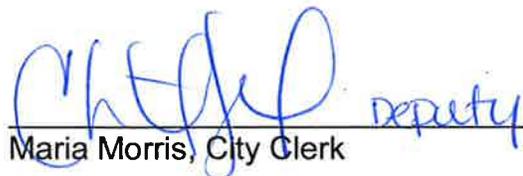


Authorized Representative



Authorized Representative

ATTEST: CITY OF SAN JUAN CAPISTRANO



Maria Morris, City Clerk

Approved by the City Council of the City of San Juan Capistrano on this 23rd day
of June, 2014