CITY OF HAYWARD and SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 1021 MAINTENANCE AND OPERATIONS UNIT

This Side Letter of Agreement is made between the City of Hayward (City) and the Service Employees International Union, Local 2021 Maintenance and Operations Unit (SEIU) to amend certain provisions of the current Memorandum of Understanding effective July 1, 2015 to June 30, 2018 (hereinafter referred to as the "2015-2018 MOU") regarding paid hours counted toward the 40-hour threshold for the purpose of determining overtime eligibility, reimbursement of monthly fees for health and wellness programs, and clean-up language, such as language regarding the implementation of The Healthy Families, Healthy Workplaces Act of 2014 (also known as Assembly Bill 1522).

The City and SEIU agree that the terms of this Side Letter of Agreement shall become effective at the beginning of the pay period following Council approval and shall remain in effect for the remainder of the term of the 2015-2018 MOU and until the parties have completed the meet and confer process for successor provisions or a successor MOU. The terms of this Side Letter shall supersede and replace all other side letter and MOU provisions on the specific sections identified below.

4.02 Overtime Work

Employees eligible to receive overtime compensation, as determined under the provisions of the Fair Labor Standards Act, shall receive overtime for work performed in excess of forty (40) hours per week. All hours paid shall be counted toward the 40- hour threshold for purposes of determining if an employee is entitled to receive overtime compensation. In the event of mandatory overtime, sick leave hours will be counted toward the forty (40) hour threshold. Overtime work shall be recognized only when directly ordered or required by the Department Director or a designated representative. No employee may work overtime without receiving the approval of the appropriate supervisor prior to performing the work. Working overtime without advance approval is grounds for discipline.

5.12 Bilingual Pay

Department Directors shall identify those employees who are required in the performance of their duties to converse with the public in a language other than English, and who have demonstrated their competency in a second language through a fluency test administered by the Human Resources Department, shall receive bilingual pay in the amount of thirty dollars (\$30) per pay period.

No more than once every twenty-four (24) months, the Department Director or designee may require an employee receiving bilingual pay to demonstrate continued competency in a second language as a condition of continuing to receive pay under this Section. Employees who do not demonstrate continued competency will cease receiving bilingual pay until such time competency is again demonstrated.

7.06 Dental Insurance

The City shall contribute towards dental insurance premiums for full-time employees, other than temporary and provisional employees, and their eligible dependents. The City's contribution on behalf of an eligible employee participating in a City-sponsored dental plan shall be equal to eighty percent (80%) of the monthly premium for dental insurance, as determined by the employee's enrolled participation level in the City sponsored dental plan. Employees enrolled in dental insurance are required to contribute the remaining twenty percent (20%) of the premium costs for dental insurance coverage.

Monthly premium rates are established on a calendar year basis by the insurance provider, or in the case of a self-funded plan, by a third party examining plan utilization review, market trends, overall plan costs, and any other industry standard metrics deemed necessary by the third party.

Currently, the City provides insurance through either a Delta Dental plan or United Concordia plan. Details regarding benefits and covered services for each plan may be found in the current Delta Dental or United Concordia benefits summaries for the City of Hayward respectively.

The City reserves the right to provide dental care benefits under a plan or through a carrier of its choice. Alternate coverage may be provided through a consortium of public agencies or private employers which may be formed for the purpose of providing dental care benefits for employees; or through a program of self-insurance. In the event the City exercises this option the alternate coverage shall be substantially equivalent to the coverage in effect at such time as a change in carriers takes effect.

11.01 Holidays Observed by the City

New Year's Day	January 1
Martin Luther King Day	3rd Monday in January
Lincoln's Birthday	February 12
Presidents' Day	3rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	1st Monday in September
Admissions Day	September 9
Columbus Day	2nd Monday in October
Veterans Day	November 11
Thanksgiving Day	4th Thursday in November
Friday after Thanksgiving Day	Friday following 4th Thursday in November
Christmas Eve	December 24
Christmas Day	December 25
New Year's Eve	December 31 (2nd half of work day / 4 hours)

The following days shall be holidays for all full-time employees other than temporary and provisional employees.

13.01 Sick Leave Policy

Sick leave is a paid leave. Sick leave shall be allowed in case of an employee's bona fide illness or injury, or for an employee's doctor/health appointments. Sick leave shall be approved by the Department Director or a designated representative.

Employees shall whenever possible make appointments for medical, dental, and other health and wellness purposes on non-work time. If this is not possible, sick leave may be used for these purposes and should not exceed four (4) hours except in unusual circumstances.

In addition to the foregoing, sick leave may be used as family sick leave to care for an ill or injured family member or to take a family member to a doctor appointment. A family member is a child, parent, spouse, registered domestic partner, the child of a registered domestic partner, grandparent, grandchild, or sibling as defined by California Labor Code 245.5. For family members who reside in the employee's home, there is no limit on the amount of sick leave that can be used as family sick leave by full time or part-time employees. For family members who reside outside of the employee's home, up to half of his or her annual sick leave accruals per calendar year may be used as family sick leave by fulltime employees. Part-time employees are allowed to use up to half of his or her annual sick leave accruals (based on his or her budgeted work schedule) per calendar year as family sick leave for family members who reside outside of the employee's residence.

13.03 Sick Leave Accruals for Part-Time Employees

1. <u>Healthy Workplaces, Healthy Families Act of 2014</u>

Part-time employees who work thirty (30) or more days within a year shall receive sick leave in accordance with the Healthy Workplaces, Healthy Families Act of 2014. The annual period shall be based on the part-time employee's first day of employment and anniversary date thereafter.

Beginning July 1, 2015 or the first day of employment, whichever is later, employees eligible for sick leave under the Healthy Workplaces, Healthy Families Act of 2014 begin to accrue paid sick leave at the rate of one (1) hour of paid sick leave for every thirty (30) hours worked and may begin using their accrued sick leave after the ninetieth (90th) day of employment. Employees can accrue up to a maximum of six (6) days or forty-eight (48) hours of paid sick leave, whichever is greater, on a continuous per pay period basis. Any unused paid sick leave balance will carry over year to year while continuously employed, up to the six (6) day or forty-eight (48) hour cap.

The use of sick leave so earned by part-time employees shall be subject to the provisions of this Memorandum of Understanding.

2. <u>Part-Time Employees Regularly Scheduled Twenty (20) or More Hours per</u> Week

Part-time employees who are regularly scheduled to work twenty (20) or more hours per week shall be entitled to accrue sick leave benefits each payroll period based upon the total number of hours for which the employee was compensated in the payroll period. The amount of sick leave so accrued shall be proportionate to that earned by full-time employees based on the number of hours worked by the part-time employee. The full-time sick leave accrual rate is 3.7 hours per payroll period.

The use of sick leave so earned by part-time employees shall be subject to the provisions of this Memorandum of Understanding. Eligible part-time employees who are scheduled to work, but who are unable to do so because of illness, shall be charged sick leave in an amount equal to the number of hours of work for which they were scheduled on the day(s) they were unable to work due to illness.

Sick leave can be accrued and granted during the first three (3) months of service. Sick leave is accrued for all regular hours worked and shall continue to be earned during other authorized leaves with pay.

There shall be no limit upon the number of hours of unused sick leave that may be accumulated by an employee. Upon separation of employees, sick leave balance for which payment has not been made shall be canceled, but shall be restored if a former employee is reinstated within two (2) years of separation.

3. Sick Leave Usage

Sick leave may be taken for the diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee <u>or an employee's family member</u>. Employees may take up to a maximum of twenty-four (24) hours of sick leave per year to care for an eligible family member (the employees' child, parent, spouse, registered domestic partner, grandparent, grandchild, sibling). A certificate from an attending physician stating nature and extent of the family member's illness may be required in cases of suspected abuse of this provision.

Sick leave may also be taken for specified purposes by employees who are the victim of domestic violence, sexual assault, or stalking.

16.23 Health and Wellness

The City will reimburse full-time employees a maximum of fifty dollars (\$50.00) per month for expenses associated with health and wellness programs. This reimbursement may be used for recurring monthly fees associated with gym or health club memberships, fitness classes (such as yoga, Zumba, or similar), personal trainers, weight loss programs (such as Weight Watchers, Jenny Craig, or similar), short or long term disability plans or other health and wellness related expenses. Requests for reimbursement of monthly fees for health and wellness related expenses must be submitted in writing and accompanied by receipts and proof of monthly membership within thirty (30) days of the most recent monthly payment made by the employee. Following receipt and approval of the employee's request, the employee shall receive the health and wellness related payments on a monthly basis until the employee indicates he or she has cancelled the monthly health and wellness related payments. The employee will be expected to inform the City in a timely manner that he or she has ceased making recurring monthly payments for health and wellness. Timely notice under this section of the MOU shall mean no more than thirty (30) days from when the employee cancels his or her recurring monthly health and wellness related fees.

For one-time health and wellness expenses, requests must be made in writing within thirty (30) days of payment by the employee and submitted with receipts.

Expenses reimbursed under this program are subject to the approval of the Director of Human Resources and the City Manager. Although participants may not be required to produce monthly receipts for health and wellness payments made on a recurring monthly basis, the City, at the discretion of the Human Resources Director, or designee, may at any time request receipts to verify monthly payments have been continuous and the participating employee remains eligible to receive the health and wellness benefit in accordance with this section of the MOU.

The City's decision to reimburse an employee is not subject to dispute as provided for in Section 15.00 in this MOU.

For SEIU 1021, Maintenance and Operations Unit

Arlene Taylor, SEIU 1021 Field Representative

Robert Mitchell, SEIU 1021 Maintenance President

Dated 13-6-16

For City of Hayward

Kelly McAdoo, City Manager

Nina S. Collins, Director of Human Resources

Dated _____