RESOLUTION NO. 22-7348

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, CALIFORNIA, ADOPTING A MEMORANDUM OF UNDERSTANDING WITH THE MANAGEMENT EMPLOYEE GROUP.

WHEREAS, employees of the City of Hermosa Beach, California represented by the Management Employee Group, have elected to meet and confer with the City of Hermosa Beach on matters concerning wages, hours, and working conditions; and,

WHEREAS, Employee and City of Hermosa Beach Chief Labor Negotiator have jointly negotiated changes to the Memorandum of Understanding; and,

WHEREAS, the Employee and City of Hermosa Beach Chief Labor Negotiator have mutually agreed to recommend that the City Council adopt these changes to the Memorandum of Understanding.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council of the City of Hermosa Beach resolves to enter into a Memorandum of Understanding to be effective for the period July 1, 2022 through and including June 30, 2025, and authorizes the City's Chief Negotiator to sign the Memorandum of Understanding on behalf of the City.

SECTION 2. This resolution takes effect immediately and that the City Clerk shall certify to the passage and adoption of this resolution; shall cause the same to be entered among the original resolutions of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting at which time same is passed and adopted.

PASSED, APPROVED and ADOPTED on this 13th day of December, 2022.

Mayor Raymond A. Jackson **PRESIDENT** of the City Council and **MAYOR** of the City of Hermosa Beach, CA

ATTEST:

Myra Maravilla, MPA, CMC City Clerk APPROVED AS TO FORM:

Patrick Donegan City Attorney State of California) County of Los Angeles) ss City of Hermosa Beach)

December 23, 2022

Certification of Council Action

RESOLUTION NO. 22-7348

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, CALIFORNIA, ADOPTING A MEMORANDUM OF UNDERSTANDING WITH THE MANAGEMENT EMPLOYEE GROUP.

I, Myra Maravilla, City Clerk of the City of Hermosa Beach do hereby certify that the above and foregoing **Resolution 22-7348** was duly approved and adopted by the City Council of said City at its adjourned meeting thereof held on the **13th day of December 2022** and passed by the following vote:

AYES: MAYOR JACKSON, MAYOR PRO TEMPORE MASSEY, COUNCILMEMBERS FRANCOIS, SAEMANN, and DETOY

- NOES: NONE
- ABSTAIN: NONE
- ABSENT: NONE

Myra Maravilla, MPA, CMC City Clerk

MEMORANDUM OF UNDERSTANDING

BETWEEN

CITY OF HERMOSA BEACH

AND

MANAGEMENT EMPLOYEE GROUP

JULY 1, 2022 - JUNE 30, 2025

TABLE OF CONTENTS

SUBJECT PAGE
ACTING DUTY PAY4
Additional Compensation
BEREAVEMENT LEAVE6
CIVIL SERVICE STATUS
COMPENSATION1
CONTINUATION OF MEDICAL PREMIUM UPON RETIREMENT9
DEFERRED COMPENSATION
EDUCATIONAL ALLOWANCE
GRIEVANCE PROCEDURE
HOLIDAYS6
INSURANCE
JURY DUTY
LIABILITY INSURANCE
LIFE INSURANCE
Management Leave
MANAGEMENT PERFORMANCE BONUS PROGRAM
MILITARY LEAVE
Non-Discrimination, Equal Opportunity, Affirmative action
ORGANIZATIONAL DEVELOPMENT AND MANAGEMENT TRAINING
PEACE OFFICER STANDARD TRAINING (POST) PAY12
Preamble
Prior Service Credit
RETIREMENT7
SICK LEAVE6
UNIFORM ALLOWANCE
VACATION
VEHICLE ALLOWANCE
Wellness Reimbursement Program10

SALARY, BENEFITS AND OTHER CONDITIONS OF EMPLOYMENT FOR MANAGEMENT EMPLOYEES

MANAGEMENT EMPLOYEES COMPENSATION PROVISIONS FOR THE PERIOD COMMENCING JULY 1, 2022 THROUGH JUNE 30, 2025

ARTICLE 1 – <u>PREAMBLE</u>

The provisions of this Agreement have been developed in the interest of promoting and improving employee relations between the City of Hermosa Beach, California and Management Employees who are represented by the Hermosa Beach Management Employees' Group.

ARTICLE 2 – <u>COMPENSATION</u>

- A. The City agrees to hire and appropriately compensate capable management personnel. They will be professional, adequately trained, meet standards required for such positions, and the Council reaffirms that compensation will include such items as salary, contribution for P.E.R.S., vehicle, deferred compensation, cafeteria-style options of compensation, merit and retirement.
- B. The salary schedule reflecting the base monthly salaries of the management positions shall be adjusted as follows:
- Effective July 1, 2022, the salary table shall be adjusted to bring all Management Group positions that are below market median as determined by the 2022 Ralph Anderson & Associates Compensation Study and Report to the median identified by the Study and Report. The retroactive adjustment will be made for employees who are currently employed with the City as of the date the City Council approves the Agreement.
- Effective July 1, 2022, and after the implementation of median adjustment, where applicable, the salary table shall be increased by three percent (3%) as follows:

	Monthly Salary Range				
GRADE	TITLE	Step 1	Step 2	Step 3	Step 4
M02	HUMAN RESOURCES MANAGER*	\$11,446	\$12,018	\$12,619	\$13,250
M03	DEPUTY CITY MANAGER**	\$12,016	\$12,617	\$13,248	\$13,910
M04	CITY CLERK*	\$10,120	\$10,626	\$11,157	\$11,715
M05	COMMUNITY RESOURCES MANAGER	\$10,924	\$11,470	\$12,044	\$12,646
M20	COMMUNITY DEVELOPMENT DIRECTOR*	\$14,084	\$14,788	\$15,527	\$16,303
M25	FINANCE DIRECTOR*	\$14,674	\$15,408	\$16,178	\$16,987
M35	PUBLIC WORKS DIRECTOR*	\$14,774	\$15,513	\$16,289	\$17,103
M40	POLICE CHIEF*	\$16,878	\$17,722	\$18,608	\$19,538
	*Median adjustment based on compensation study				

**salary adjustment based on internal benchmarking

Effective July 1, 2023, the salary table shall be increased by three percent (3%) as follows:

	Monthly Salary Range				
GRADE	TITLE	Step 1	Step 2	Step 3	Step 4
M02	human resources manager	\$11,789	\$12,379	\$12,998	\$13,648
M03	DEPUTY CITY MANAGER	\$12,376	\$12,995	\$13,645	\$14,327
M04	CITY CLERK	\$10,424	\$10,945	\$11,492	\$12,067
M05	Community resources manager	\$11,252	\$11,814	\$12,405	\$13,025
M20	COMMUNITY DEVELOPMENT DIRECTOR	\$14,507	\$15,232	\$15,994	\$16,794
M25	FINANCE DIRECTOR	\$15,114	\$15,870	\$16,664	\$17,497
M35	PUBLIC WORKS DIRECTOR	\$15,217	\$15,978	\$16,777	\$17,616
M40	POLICE CHIEF	\$17,384	\$18,254	\$19,167	\$20,125

Effective July 1, 2024, the salary table shall be increased by three percent (3%) as follows:

	Monthly Salary Range				
GRADE	TITLE	Step 1	Step 2	Step 3	Step 4
M02	HUMAN RESOURCES MANAGER	\$12,143	\$12,750	\$13,388	\$14,057
M03	DEPUTY CITY MANAGER	\$12,748	\$13,385	\$14,054	\$14,757
M04	CITY CLERK	\$10,736	\$11,273	\$11,837	\$12,429
M05	COMMUNITY RESOURCES MANAGER	\$11,589	\$12,169	\$12,777	\$13,416
M20	COMMUNITY DEVELOPMENT DIRECTOR	\$14,942	\$15,689	\$16,473	\$17,297
M25	FINANCE DIRECTOR	\$15,568	\$16,346	\$17,163	\$18,021
M35	PUBLIC WORKS DIRECTOR	\$15,674	\$16,457	\$17,280	\$18,144
M40	POLICE CHIEF	\$17,906	\$18,801	\$19,741	\$20,728

To be eligible for a step increase, an employee must receive an overall evaluation of (3) Meets Standards or higher on the employee's annual Performance Appraisal.

The parties understand that these amounts shall be reported to the California Public Employees Retirement System (CalPERS) as employee compensation and thus be "PERSable."

ARTICLE 3 – EDUCATIONAL ALLOWANCE

- A. For employees hired prior to July 1, 1995:
 - 1. An employee who has entered upon a program of education at an accredited university or college, which program has been previously approved by the City Manager prior to October 1, 1995 shall be entitled to a vocational allowance in an amount equal to sixty-six percent (66%) of the tuition actually paid by such employee, which tuition was paid after written approval as aforesaid, and which sums shall be paid by the City within thirty days after submission of proof of payment of said tuition by the employee in accordance with the terms of this paragraph.
 - 2. Effective October 1, 1995 an employee who enrolls in a program of education at an accredited university or college, which program has previously been approved by the City Manager, shall be entitled to reimbursement for course

fees, books, materials and tuition an amount equal to sixty-six percent (66%) of amount incurred. Said reimbursement for tuition shall not exceed 66% of the tuition charged for attendance at a college within the California State University (CSU) system.

B. There shall be no Educational Allowance for employees hired after July 1, 1995.

ARTICLE 4 – MANAGEMENT PERFORMANCE BONUS PROGRAM

A. Employees covered by this Resolution shall be eligible to receive a Management Performance Bonus award annually for superior performance. Said bonus award shall be in an amount determined by the City Manager based on the chart below and shall not exceed 10% of base annual salary.

Individual Goal/Competency Performance Rating: Exceptional (5), Exceeds Expectations (4), Meets Expectations (3), Below Expectations (2), and Unsatisfactory (1).

BASED ON & OF GOALS/COMPETENCIES			
% of Goals/Competencies achieved with "Exceptional" Rating (rating of 4 or 5 only)	Bonus % Earned Based on Exceptional Rating in Individual Goals/Competencies		
90-100% of Goals Rated "Exceptional"	10%		
80-89% of Goals Rated "Exceptional"	9%		
70-79% of Goals Rated "Exceptional"	8%		
60-69% of Goals Rated "Exceptional"	7%		
50-59% of Goals Rated "Exceptional"	6%		
40-49% of Goals Rated "Exceptional"	5%		
30-39% of Goals Rated "Exceptional"	4%		
20-29% of Goals Rated "Exceptional"	3%		

- B. Bonuses are to be awarded in November of each year. They are awarded for achievement of exceptional performance during the prior year as determined by how many goals were met during the year.
- C. Program Criterion:

The achievement of goals and competency ratings are evaluated in an annual meeting with each management employee and the City Manager to determine amount of management performance bonus.

The accomplishments of each department are considered in meeting annual goals and performance objectives set by the Department Head and the City Manager.

Professional relationships between the management employee and the public, City Council, city commissions, departmental staff, other management personnel, and the City Manager are considered.

Tenure as a management employee is considered.

Citywide goals and objectives are established annually by the City Council as part of the budget process and each management employee establishes independent goals for their department in order to meet these broad objectives. Progress towards meeting these objectives is considered.

Response to and ability to resolve problems as they arise are factors in determining annual bonuses.

ARTICLE 5 – DEFERRED COMPENSATION

- A. Each employee, individually, may elect to participate in any deferred compensation plan offered by the City.
- B. The City will contribute a maximum of \$8,000 per calendar year for management employees participating in one of the deferred compensation programs.

ARTICLE 6 – ADDITIONAL COMPENSATION

- A. Should responsibilities of a position change significantly, the compensation for the classification shall be established following completion of an appropriate salary survey. Said salary shall be commensurate with the new responsibilities.
- B. In keeping with current employment trends for public sector executives, the City Manager may authorize additional incentives upon initial appointment that may include such items as reimbursement of reasonable relocation expenses, temporary housing assistance up to a maximum of \$15,000, and/or establishing balances or advances in accumulated vacation or sick leave. Any expense reimbursements shall be supported by appropriate receipts and made in accordance with established City policies.

ARTICLE 7 – <u>ACTING DUTY PAY</u>

A. Management employees may be assigned with duties of "acting" City Manager during a short-term absence of the City Manager due to vacation, illness or other reason. Such designation shall be mutually agreed to by the City Manager and the Management Employee(s). Assignments may be daily, weekly or monthly and shall be paid as a per diem base premium of 5 to 20 percent, said amount to be mutually determined at time of designation.

- B. An individual so assigned shall report directly to the City Manager and shall operate within specified written goals and objectives.
- C. Said appointment shall terminate at the pleasure of either party with thirty days written notification.

ARTICLE 8 – VACATION

- A. Upon employment, Management employees shall accrue vacation at the following rates:
 - 1. 114 hours per year through four (4) years of service;
 - 2. 138 hours per year, five (5) years through (9) years of service;
 - 3. 178 hours per year, ten (10) years or more of service.
- B. Further, the employee may be paid cash in lieu of unused vacation in excess of two weeks (80 hours) vacation at any time.
- C. Vacation may be accrued up to a thirty (30) month accrual level, with an automatic cash-out of hours in excess of that amount. Employees with a current, as of May 1, 1994, accrual balance in excess of that amount shall have that amount established as their maximum accrual until such time as their accrual is diminished to a thirty (30) month accrual level.
- D. Employees shall be reimbursed for 100% unused vacation days accrued upon resignation, retirement or imposed termination from their employment with the City.

ARTICLE 9 – PRIOR SERVICE CREDIT

Upon successful completion of five (5) years of service for the City of Hermosa Beach in a position covered by this Agreement each employee's prior full-time government (state, local, county, or special district) years of service will be counted towards the accrual of benefits provided under this agreement including accrual of paid leave and retiree medical benefits. All prior and current years of service will be considered as continuous service with the City of Hermosa Beach.

ARTICLE 10 – <u>MANAGEMENT LEAVE</u>

Employees shall be allowed one hundred (100) hours of additional leave each calendar year in addition to flex time for extraordinary assignments, fixed holidays, vacation, and Bereavement Leave. Management Leave does not accumulate or carry over; it must be used each year. Said Management Leave shall have no monetary value and shall be prorated for partial year's service.

ARTICLE 11 – HOLIDAYS

Holidays shall be consistent with those provided to employees governed by the Professional and Administrative Employees Bargaining unit, which, effective July 1, 2022, includes the addition of two holidays off with pay (Juneteenth and Cesar Chavez Day).

Additionally, if the Police Chief works on a recognized holiday, the Police Chief shall receive Holiday Compensatory Time at a rate of hour-per-hour worked not to exceed the normal daily work schedule.

ARTICLE 12 – <u>SICK LEAVE</u>

- A. Basis of Sick Leave
 - 1. Accrual shall be at ten (10) hours per month until a balance of 176 hours is achieved. After 176 hours accrued, an employee may cash 96 hours annually at 100% rate. In lieu of cash out, an employee may convert up to a maximum of 96 hours to vacation time annually provided that the vacation bank does not exceed allowed maximum level. The cash outs will take place based on the accrual balance of November 16th and paid on the check of December 5th.
- B. Use of Sick Leave
 - 1. Sick Leave shall be used only in case of sickness or disability of the employee or for family Sick Leave. Misuse of Sick Leave shall be grounds for disciplinary action.
- C. Family Sick Leave
 - 1. In case of serious illness of a member of the immediate family, the employee may utilize Sick Leave.
 - 2. Immediate family for the purpose of this Section shall be defined as; spouse, mother, mother-in-law, father, father-in-law, sister, brother, child, stepchild, guardian, stepfather, stepmother, grandparents, or grandchildren.
- D. Employees covered by this Agreement may, upon resignation, retirement or imposed termination from their employment with the City, elect to be paid for unused sick leave accrued prior to June 30, 2017, at their current rate of pay. Except as provided in A above, unused sick leave accrued after June 30, 2017, shall not be cashed out. Pursuant to Government Code § 20965, related CaIPERS, rules and the City's contract with CaIPERS, upon retirement from City employment, an employee's unused accumulated sick leave at the time of retirement may be converted to additional service credit.

ARTICLE 13 – <u>BEREAVEMENT LEAVE</u>

Each employee covered by this Agreement shall receive a maximum of three (3) days per occurrence to be used for Bereavement Leave because of a death in their immediate family.

Said time will not be cumulative from one twelve month period to another nor will pay in lieu of unused leave be provided. Immediate family for the purpose of this Article shall be defined as; spouse, mother, mother-in-law, father, father-in-law, sister, brother, child, stepchild, guardian, stepfather, stepmother, grandparents, or grandchildren.

ARTICLE 14 – <u>RETIREMENT</u>

<u>Tier I</u>. The City maintains the 2% @ 55 PERS contract with "one year final compensation" for current management employees; for Police Chief, the rate is 3% @ 50 and 3% at 55 for the Fire Chief. The City will pay the employee's 7% (9% for safety) contribution to PERS. The City shall report to P.E.R.S. the value of the 7% (9% for safety) employer paid member contribution (EPMC) pursuant to the authority of Government Code section 20023(c)(4).

<u>Tier II</u>. For new employees, the City will offer the PERS retirement formula known as 2% @ 60 with retirement benefits being calculated on one year final compensation. This will become effective once a new contract with PERS is signed. The City will provide the Police and Fire Chiefs with 2% @ 50.

<u>Tier III.</u> Employees hired on or after January 1, 2013, shall be subject to the Public Employee Pension Reform Act, ("PEPRA"; Assembly Bill 340) including but not limited to:

- 1. 2% at 62 retirement formula for those who are "new members" as that term is defined in AB 340.
- 2. Such new members shall pay to PERS by payroll deduction 50% of the "normal cost" as defined in AB 340 or the then current contribution rate of similarly situated employees, whichever is greater, as required by new Government Code section 7522.30(c).

Each employee in the bargaining unit shall pay the full seven percent (7%) PERS member contribution by payroll deduction as follows:

- 1. Effective January 1, 2013, by 2.5%
- 2. Effective July 1, 2013, an additional 2.5% for a total of 5%.
- 3. Effective July 1, 2014, an additional 2% for a total of 7%.
- 4. The City shall adopt the necessary resolution so that such payments made by the employees may be excluded from taxable income pursuant to section 414(h)(2) of the U.S. Internal Revenue Code.

ARTICLE 15 – <u>VEHICLE ALLOWANCE</u>

Management employees shall receive a vehicle allowance in the amount of four hundred fifty (\$450.00) per month. The Police and Fire Chiefs each have the option of having a city-owned vehicle assigned to them for their use in lieu of receiving the monthly allowance stated above.

1. There shall be no Vehicle Allowance for employees hired after January 1, 2013.

ARTICLE 16 – UNIFORM ALLOWANCE

The Police Chief and Fire Chief shall be compensated the same uniform allowance as the next subordinate rank in their respective Department.

ARTICLE 17 - INSURANCE

- A. The City shall make available to all employees the following insurance plans during the term of this Agreement: Current Health, Dental, Long Term Disability, Life Insurance, Vision Program, Mental health, or their equivalent.
- B. The City will pay for employees' Short term Disability, Long Term Disability, and Life Insurance and vision care.
- C. The City will provide employees a choice of a Preferred Provider Option (PPO) or a Health Maintenance Organization (HMO), both of which will include prescription coverage.

For the benefit years beginning January 1, 2023 and later, the City's maximum monthly premium contribution toward medical insurance for each employee's selected plan and level of coverage will be \$1,875.39. Employees choosing a medical insurance plan and/or coverage level with a monthly premium that exceeds the City's maximum contribution shall pay the difference by payroll deduction.

D. City shall provide employees a dental insurance plan to include a choice of an indemnity plan or a pre-paid plan.

For the benefit years beginning January 1, 2020 and later, the City's maximum monthly premium contribution toward dental insurance for each employee's selected plan and level of coverage will be \$226.30. Employees choosing a dental insurance plan and/or coverage level with a monthly premium that exceeds the City's maximum contribution shall pay the difference by payroll deduction.

E. An employee who demonstrates proof of medical insurance coverage available through a spouse may receive a cash payment of \$750.00/month in lieu of City provided coverage. An employee who opts not to receive City provided dental insurance coverage may receive a cash payment of \$226.30/month. An employee who opts not to receive vision insurance coverage may receive a cash payment of \$21.26/month.

A Management Employee who chooses a medical, dental or vision plan with a monthly premium that is less than the value of the monthly opt-out cash payment, will receive a cash payment that amounts to the difference between the cash value of insurance coverage the employee selected and the value of cash payment in lieu insurance coverage. F. An employee utilizing the Long Term Disability Plan shall not accrue vacation, Sick Leave, holiday pay and allowances after the 90th day of disability.

ARTICLE 18 – <u>LIFE INSURANCE</u>

City shall provide term life insurance for all employees covered by this Agreement in an amount equal to twice the individual's annual salary to a maximum of \$200,000.

ARTICLE 19 – CONTINUATION OF MEDICAL PREMIUM UPON RETIREMENT

Tier One.

For employees hired before July 1, 2018, employees shall be eligible, upon retirement from the City, for a Medical Premium Supplement. Said supplement shall be paid as follows:

- 1. For retirement at age fifty-five (55) with a minimum of ten (10) years continuous service with the City, a sixty dollar (\$60.00) per month (or cost of policy, whichever is less) insurance supplement.
- 2. For retirement with a minimum of twenty (20) years continuous service the City shall pay the cost of the retiree's health insurance for the employee only effective July 1, 1999.
- 3. Said supplement shall commence with the first month following the employee's retirement in which the employee is responsible for payment of the insurance premium.
- 4. In order to be eligible for medical supplemental payments, an employee must either remain on a medical insurance plan offered by the City or provide proof of coverage on a self-procured medical insurance plan.
- 5. Retirees who are eligible for a stipend but who are not covered on the City policy are still eligible to receive their stipend. Payments will only be made when the retiree provides proof of coverage of insurance and proof of the amount paid for said coverage. The amount paid to the retiree will be either the amount paid for coverage or the stipend amount allowed by the MOU.
- 6. Any employee receiving a benefit under this section agrees to apply for, and enroll in, any Federal and/or State medical insurance plan (e.g. MediCare, Medicaid) for which they become eligible.

<u>Tier Two</u>

For employees hired on or after July 1, 2018, employees shall be eligible, upon retirement from the City, for a Medical Premium Supplement to be paid as follows:

- 1. For service retirement at age 60 with a minimum of twenty (20) years continuous service, a \$400.00 per month medical insurance supplement.
- 2. The supplement shall commence with the first month following the employee's service retirement in which the employee is responsible for payment of the insurance premium and end with the month in which the employee reaches the eligibility age of State or Federal Medicaid, currently 65 years of age.

ARTICLE 20 – WELLNESS REIMBURSEMENT PROGRAM

Employees may request reimbursement of up to \$500 dollars per plan year for participation in activities promote personal health and wellness.

Eligible expenses must be incurred while actively employed and includes:

- Gym, fitness center/studio, and health club membership and fees
- Fitness and nutrition counseling
- Fitness and sports classes/lessons
- Yoga, Pilates and meditation classes

Expenses not eligible for reimbursement include but are not limited to apparel, vitamins, proteins, supplements, exercise equipment and salon/spa memberships. All reimbursement requests are subject to Human Resources approval.

The Plan Year for the wellness reimbursement will be paid for expenses purchased from July 1 through June 30 of the current year. All reimbursement requests must be submitted to Human Resources between the first and last business day of July each year (annual request period). Costs above the annual maximum of \$500 will be the sole responsibility of the employee. No carryover is allowed of any unused funds. Employee must submit the Wellness Reimbursement Request Form to Human Resources during the annual request period. Employee must attach all itemized receipts/proof of purchase for qualified purchases to the request form. Human Resources may request additional information to determine eligibility for reimbursement. Employees must be active on the payout date in order to receive reimbursement.

ARTICLE 21 – LIABILITY INSURANCE

Except as provided in Government Code Section 995.2, CITY shall provide a defense including but not limited to legal counsel in: a) any civil action or proceeding described in Govt. Code Section 995; b) any administrative action or proceeding described in Section 995.6; or any criminal action or proceeding described in Govt. Code Section 995.8. "Proceeding" as used in this section is applicable to situations where a claim or action is threatened, but not filed, if a reasonable, prudent person would consult or retain counsel in response to the possibility of actual civil, administrative, or criminal action. If CITY pays for

a defense, but a court or tribunal issues a final ruling that would, under Section 995.2, preclude CITY payments for defense, employee shall immediately reimburse CITY, and if he/she fails to do so, CITY may offset any such amounts against compensation otherwise due employee under this Agreement.

ARTICLE 22 – <u>JURY DUTY</u>

The City will provide paid jury duty leave in accordance with Administrative Policy P15.

ARTICLE 23 – <u>MILITARY LEAVE</u>

All employees covered by this Agreement shall be entitled to Military Leave as afforded by Federal and State law but shall not receive any base salary pay while on such Leave.

ARTICLE 24 – ORGANIZATIONAL DEVELOPMENT AND MANAGEMENT TRAINING

\$3,500.00 shall be budgeted each year for group training purposes. A committee comprised of the City Manager and two management employees shall select and schedule training programs for participation of employees covered by this Agreement.

ARTICLE 25 – <u>CIVIL SERVICE STATUS</u>

Employees hired prior to November, 1995 shall retain their status as civil service employees.

The Management Employee Group is in agreement with the City's placement of a measure on the November 8, 2022 ballot to repeal Ordinance No. N.S. 211 adopted in 1960 pertaining to the City's Civil Service System as set forth Chapter 2.76 of the Hermosa Beach Municipal Code pertaining to Civil Service. The Management Employee Group understands that the repeal of the Ordinance is necessary to allow the City to update its personnel rules and civil service rules.

ARTICLE 26 – <u>GRIEVANCE PROCEDURE</u>

- A. This grievance procedure shall be used to resolve disputes arising from any allegation by management employees that the City has violated the terms of this Resolution.
- B. The complaint shall be presented in writing to the City Manager. The City Manager shall have five (5) working days of receipt of the complaint to resolve the issue or respond to it in writing stating the reasons for the failure to resolve it. This exhausts all administrative remedies.

ARTICLE 27 – <u>NON-DISCRIMINATION, EQUAL OPPORTUNITY, AFFIRMATIVE</u> <u>ACTION</u>

A. The City and its Management Employees agree that both parties have a crucial role in the development and implementation of equal employment opportunities. Both parties mutually accept responsibility for carrying out these provisions. B. The parties agree to cooperate actively and positively in supporting the concept for all employees and to seek and achieve the highest potential and productivity in employment situations. The City and its Management Employees agree to provide encouragement, assistance, and appropriate training opportunities so that all employees may utilize their abilities to the fullest extent.

ARTICLE 28 – PEACE OFFICER STANDARD TRAINING (POST) PAY

The Chief of Police who possesses an Executive POST Certificate is eligible to receive additional compensation of 5% of base salary for the Police Chief.

IN WITNESS WHEREOF, the parties hereto cause this Agreement to be executed the \Im of <u>December</u>, 2022.

HERMOSA BEACH MANAGEMENT GROUP

CITY OF HERMOSA BEACH

Viki Copeland, Finance Director

Paul LeBaron, Police Chief

Vanessa Godinez, Human Resources Manager Daphne Anneet, Chief Negotiator

Suja Lowenthal, City Manager

Lisa Nichols, Community Resources Manager

Angela Crespi, Deputy City Manager

Joseph SanClemente, Public Works Director

Myra Maravilla, City Clerk