

**MEMORANDUM OF UNDERSTANDING ON
WAGES, EMPLOYEE BENEFITS, HOURS AND
OTHER TERMS AND CONDITIONS OF EMPLOYMENT**

Campbell Municipal Employees Association (CMEA)

PARTIES TO UNDERSTANDING

This Memorandum of Understanding is between the authorized representatives of the City Council of the City of Campbell, hereinafter referred to as "City", and the authorized representatives of Campbell Municipal Employees Association, hereinafter referred to as "CMEA".

STATE LAW COMPLIANCE

This Memorandum of Understanding complies with the provisions of the State of California Public Employees Representation Law, as contained in Section 3500 of the Government Code of the State in that the employer-employee representatives noted here did meet and confer in good faith and did reach agreement on those matters within the scope of representation.

This Memorandum of Understanding also complies with Resolution 10016, relating to employer-employee relations, as adopted and amended by the City Council of the City of Campbell.

I. GENERAL CONDITIONS

A. Personnel Rules and Regulations

This Memorandum of Understanding does not modify or change the provisions of the Personnel Rules and Regulations of the City unless a specific reference is made herein to modify or add to the existing Personnel Rules and Regulations. Because some terms and conditions of employment are set forth in the Personnel Rules and Regulations, a copy of the Personnel Rules and Regulations (current as of August 8, 2022) is attached to this Memorandum of Understanding for the parties' convenience.

B. Terms of Understanding

This Memorandum of Understanding embodies all modifications on salaries, hours, employee benefits, and other terms and conditions of employment, for a 36-month term beginning July 1, 2022 and ending June 30, 2025.

C. Existing Benefits Continued

This Memorandum of Understanding does not modify existing salaries, benefits, hours, or terms and conditions of employment contained in the

currently adopted Pay and Classification Plan, except as noted herein. Such benefits and terms of employment remain unmodified and shall continue in full force and effect throughout the term of this Memorandum of Understanding.

D. Benchmarks

Accountant	Building Inspector	Office Assistant
Accounting Clerk	Building Maintenance Worker	Assistant Planner
Assistant Engineer	Executive Assistant	Recreation Coordinator
IT Administrator		Recreation Supervisor

Any special compensation adjustment for a benchmark classification provided for by this MOU will also be provided to classifications related to the benchmark as set forth below:

Accountant
Senior Accountant

Accounting Clerk I
Accounting Clerk II

Assistant Engineer
Associate Engineer
Junior Engineer
Engineering Aide
Engineering Technician
Environmental Program Specialist

Building Inspector
Senior Building Inspector
Public Works Inspector
Senior Public Works Inspector
Code Enforcement Officer
Permit Technician

Building Maintenance Worker
Building Maintenance Lead Worker
Utility Worker

IT Administrator
IT Technician
Communications and Public Engagement
Coordinator
Public Safety Systems Specialist

Executive Assistant
Office Specialist
Permit Technician
Deputy City Clerk

Office Assistant
Senior Office Assistant

Assistant Planner
Associate Planner
Senior Planner
Administrative Analyst
Planning Technician
Economic Development Specialist

Recreation Supervisor
Senior Services Supervisor

Recreation Coordinator
Nutrition Site Manager
Recreation Specialist
Museum Collections Specialist

The survey agencies for CMEA are listed below:

Survey Agencies

Cupertino
Gilroy
Los Altos
Los Gatos
Milpitas
Morgan Hill
Mountain View
Palo Alto
Santa Clara
Saratoga
Sunnyvale

The compensation components to be used for the Total Compensation analysis shall be as follows: Salary Min, Salary Max, Dental, Life, Vision, Medical, LTD, and MCARE.

II. COMPENSATION

A. Salary

1. Effective the first full pay period in July 2022, the salaries of all classifications shall be increased by four percent (4%).
2. Effective the first full pay period in July 2023, the salaries of all classifications shall be increased by four percent (4%).
3. Effective the first full pay period in July 2024, the salaries of all classifications shall be increased by three percent (3%).

B. 2022 Market Adjustment

Effective the first full pay period in July 2022, the Recreation Supervisor classification will receive a market adjustment of 0.57% to bring the classification to the labor market mean in total compensation as surveyed by the City in Spring 2022. The market adjustment shall be applied prior to the 4% salary increase set forth above.

C. Year 3 Salary Survey

For Year 3, a special adjustment will be provided, based on completion of a Total Compensation analysis for all CMEA benchmark classifications. For any CMEA benchmark classification that falls below the labor market mean for Total Compensation array as it exists in the salary survey, those CMEA benchmark classifications will receive a Special Adjustment to bring those classification up to the labor market mean in Total Compensation. The Special Adjustment will be effective the first full pay period in July 2024.

III. HEALTH & WELFARE BENEFIT PROGRAMS

A. Benefit Cost Adjustments

The benefit cost adjustments for the term of this contract are as follows:

- The City will be responsible for any increase to the PERS employer contribution rate for the PERS plan.
- The City will continue to provide the current dental coverage, including an annual maximum per patient benefit of \$2,500, and orthodontia coverage with a \$2,500 per patient lifetime.
- The City will continue to provide for life insurance.
- The City will continue to provide for the Employee Assistance Program.
- The City will provide for Long Term Disability Insurance. The maximum benefit is \$3,000 per month.
- The City will continue to provide for Vision Service Plan (VSP) coverage which includes Progressive Lens coverage.

B. Medical Insurance / Cafeteria Plan Allowance

1. Medical Insurance Benefit Program

The City will continue to contract with the California Public Employees Retirement System (CalPERS) for the purpose of providing employees with medical insurance benefits.

The City's maximum monthly contribution for each eligible bargaining unit member for the purchase of medical insurance will be equal to the minimum monthly employer contribution required under the Public Employees Medical and Hospital Care Act (PEMHCA). The City's contribution will come out of the amount the City currently contributes to employees as part of the Cafeteria Plan Allowance, provided below. The cost of the City's participation in CalPERS will not require the City to expend additional funds toward health insurance beyond what is already provided through the Cafeteria Plan Allowance. Any cost increase to the minimum monthly employer contribution required under PEMCHA will be borne by employees.

2. Cafeteria Plan Allowance

Bargaining unit members electing medical coverage in the City's plans will receive a health flex allowance and shall purchase such coverage through the City's Cafeteria Plan.

Effective January 1, 2023, the monthly Cafeteria Plan Allowance will be based on selected level of coverage as follows:

- Employee Only Coverage: \$913.74
- Employee Plus One Coverage: \$1,827.48
- Employee Plus Family Coverage: \$2,375.72

Effective January 1, 2024, the monthly Cafeteria Plan Allowance will be set at the Kaiser Permanente Region 1 rates for 2024 at the employee's selected level of coverage unless the rate increase from plan year 2023 exceeds eight percent (8%). If the year-over-year rate increase exceeds 8%, the City's Cafeteria Plan Allowance shall be eight percent (8%) higher than the 2023 rates. Employees who select a plan with rates higher than the City's Allowance will be required to make up the difference through salary redirection.

Effective January 1, 2025, the monthly Cafeteria Plan Allowance will be set at the Kaiser Permanente Region 1 rates for 2025 at the employee's selected level of coverage unless the 2025 rates are eight percent (8%) higher than the City's 2024 contribution. If the year-over-year rate increase exceeds 8% of the City's 2024 contribution, the City's Cafeteria Plan Allowance shall be eight percent (8%) higher than the 2024 contribution. Employees who select a plan with rates higher than the City's Allowance will be required to make up the difference through salary redirection.

Employees who elect a medical insurance plan with a lower monthly premium than the amount of the City's medical contribution may apply their unused contribution amount toward other benefit options that are available under the Cafeteria Plan, such as flexible spending accounts for out-of-pocket medical expenses and dependent care, accident insurance, cancer insurance, heart and stroke insurance, and life insurance benefits.

Employees who do not spend all their Cafeteria Plan Allowance on Cafeteria Plan benefits will not receive any cash benefit.

3. Conditional Opt-Out

Employees who at initial enrollment or during the annual open enrollment period, complete an affidavit and provide proof of other minimum essential coverage for themselves under an exchange/marketplace or an individual plan, will be allowed to waive medical coverage for themselves and their qualified dependents (tax family). The monthly conditional opt-out incentive is \$750.

The conditional opt-out incentive shall be paid in cash (taxable income) to the employee. The employee must notify the City within 30 days of the loss of other minimum essential coverage. The conditional opt-out payment shall no longer be

payable if the employee and family members cease to be enrolled in other minimum essential coverage.

4. Flexible Spending Account

Effective the first full pay period in July 2022, each CMEA member will receive a City contribution to a flexible spending account (FSA) which can be used for IRS eligible medical or dependent care expenses in the amount of \$30.76 per pay period.

Effective the first full pay period in July 2023, the City will additionally increase the FSA contribution by \$25.00 per pay period for a total of \$55.76 per pay period.

Effective the first full pay period in July 2024, the City will additionally increase the additional FSA contribution by \$25.00 per pay period for a total of \$80.76 per pay period.

IV. OTHER PROVISIONS

A. Tuition Reimbursement

City will continue the tuition reimbursement program as specified in Personnel Rules and Regulations Section 18.3.A, with a maximum reimbursement of \$3,000 per year.

CMEA employees will be able to use tuition reimbursement money to attend relevant work-related training that is approved by management. Reimbursement will include tuition and class participation materials only.

Employees represented by CMEA may utilize tuition reimbursement for examination fees and related review course fees if pursuing job related certification programs.

B. Deferred Compensation

The City will continue to contribute \$50 per pay period to each full time CMEA employee's ICMA Deferred Compensation account. The contribution for permanent part time CMEA employees will be prorated accordingly.

C. Retiree Award Program

The City will continue the existing Retiree Award Program based on the following criteria and features:

- Minimum retirement age of 50 and retired from the City of Campbell.

- Bills must be submitted to the City in January and July of each year for reimbursement for the prior six months' costs.
- Award will not exceed cost for medical and dental coverage for the retiree only (not dependents) on a reimbursement basis as follows:
 - For employees who have completed at least 17 years of service with the City of Campbell, award will be a maximum \$325 per month.
- All other provisions of the Retiree Award Program will remain unchanged.
- Employees hired on or after July 1, 2017, will not be eligible for the Retiree Award Program.

D. Voluntary Employees Beneficiary Association Plan (VEBA)

The City contributes \$69.24 per pay period to each CMEA employee's VEBA account.

The City shall cover the cost of the monthly administrative fee for each CMEA employee's VEBA account.

E. Uniform and Equipment Allowance

City will provide a uniform allowance in the amount of \$600 per year to the following classifications:

Building Maintenance Worker
Building Maintenance Lead Worker
Utility Worker
Recreation Specialist, Facilities

City will provide an allowance of \$150 per year to the following classifications for work boots/shoes/hats:

Building Inspector
Senior Building Inspector
Public Works Inspector
Senior Public Works Inspector
Code Enforcement Officer
Associate Engineer
Assistant Engineer
Engineering Technician

The following classifications will be provided \$150 for work boots/hats upon hire date or the effective date of this MOU (whichever occurs first), and on an as needed basis thereafter, to be determined by the department head:

Planning Technician
Assistant Planner
Associate Planner
Senior Planner

Uniform allowance payments will be made once each fiscal year (in July).

F. Bilingual Pay

The City will provide bilingual pay at \$100 per pay period.

G. Employee Certifications

Any CMEA employee who has obtained a current Certified Pool Operator Certification and is actively utilizing the certification in the course of employment, shall receive an additional \$25 per pay period.

H. Vacation

Employees shall be entitled to vacation pay in accordance with the following schedule:

Years of Service	Hours Accrued Per Pay Period	Number of Hours Retainable
Start of year 1 through completion of year 4	3.38 hours	220
Start of year 5 through completion of year 10	4.92 hours	250
Start of year 11 through completion of year 15	5.85 hours	300
Start of year 16 and thereafter	6.46 hours	350

I. City-Observed Holidays

Employees shall be entitled to eight hours of paid holiday time on each of the following City-observed holidays:

- January 1: New Year's Day
- Third Monday in January: Martin Luther King, Jr. Day
- Third Monday in February: President's Day
- Last Monday in May: Memorial Day
- July 4: Independence Day
- First Monday in September: Labor Day

Fourth Thursday in November and day after: Thanksgiving Day and Day After
December 24: Christmas Eve (1/2 day)
December 25: Christmas Day

J. Floating Holidays

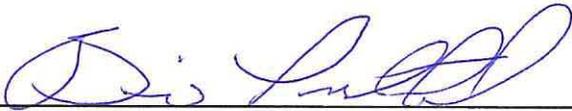
Five (5) floating holidays (40 hours) shall be incorporated into the employee leave bank per year. Employees receive the appropriate prorated portion of this entitlement upon hire. Floating holidays must be used during the calendar year in which they are granted. Unused floating holiday time may not be carried over to the next calendar year. Floating holiday time shall have no monetary value upon termination of employment.

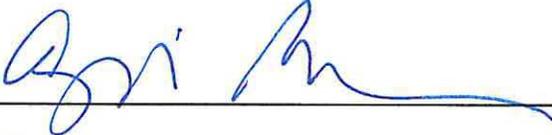
K. Sick Leave

Employees accrue 3.69 hours of sick leave per pay period. Accumulation is unlimited.

EXECUTED THIS 16 DAY OF AUGUST 2022 BY THE EMPLOYER-EMPLOYEE REPRESENTATIVES WHOSE SIGNATURES APPEAR BELOW FOR THEIR RESPECTIVE ORGANIZATION.

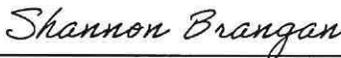
CITY REPRESENTATIVES







CAMPBELL MUNICIPAL
EMPLOYEES ASSOCIATION





Reina Antonio
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DN: C=US, E=reinaa@cityofcampbell.com, O=City
of Campbell, OU=Public Works - Engineering
Division, CN=Reina Antonio
Date: 2022.08.11 15:30:07-0700