



# FAIRFAX TOWN COUNCIL MEETING STAFF REPORT

**MEETING DATE** July 17, 2024  
**PREPARED FOR** Mayor and Town Council  
**PREPARED BY** Heather Abrams, Town Manager  
**SUBJECT** Notice of Amendments to the Memorandum of Understanding (MOU) with the Service Employees International Union, Local 1021 (SEIU) for the Period of July 1, 2024, through June 30, 2026

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## RECOMMENDATION

Receive notice of amendments to the Memorandum of Understanding (MOU) with the Service Employees International Union, Local 1021) for the period of July 1, 2024, through June 30, 2026.

## DISCUSSION

In 2015, the Town Council, in response to the Grand Jury report on labor negotiations, stated that the Town would place final tentative employee agreements on two successive Town Council agendas - the first for notice of the agreement, the second for Council vote. This item represents the first notice of the agreement. The second will be placed on the August 7, 2024, agenda for Council vote.

The [current](#) Memorandum of Understanding (MOU) with SEIU expired on June 30, 2024. Over the past couple of months, the Town Manager and Finance Director have met with SEIU representatives to negotiate a new two-year MOU. SEIU currently represents maintenance and administrative assistant employees. SEIU has agreed to the amendments pending the Town's approval.

The negotiation team recommends Council approve the attached MOU, which is for two years from July 1, 2024, through June 30, 2026. The MOU provides for the following key provisions retroactively applied to July 1, 2024:

Effective 7/1/2024	5% cost of living adjustment (COLA) retroactive to 7/1/2024.
Effective 7/1/2025	4% cost of living adjustment (COLA)
Beginning January 2026	The Town and SEIU will negotiate the differentials between job classifications within SEIU leading to the 2026 bargaining process

The attached redline version of the MOU addresses legislative changes to labor laws, reflects the approved 9/28/22 side letter, and reflect the above negotiated changes.

Since 2014, SEIU employees have received an average COLA of 3.5% per. Current CPI is 3.8% in April.

## FISCAL IMPACT

The cost to the Town in FY24-25 is approximately \$21,570 or an increase of 3.9% in total personnel costs (e.g., salary and benefits) for SEIU staff compared to FY 23-24. In the second year of the MOU period, we project the total annual costs related to the MOU to be approximately \$193,00 over the FY 24-25.

The approved FY 24-25 Town Operating Budget contained an estimated increase in total for SEIU costs. This is the first notice of the negotiated MOU with SEIU. The August 7, 2024, Council agenda will include approval of the MOU. Adoption of an updated salary schedule will occur when POA, SEIU and

Unrepresented labor costs have been finalized, most likely in September. No budget adjustment is necessary at this time, if any adjustment is needed, staff will present that to Council at the mid-year budget review this fiscal year.

**ATTACHMENTS**

Memorandum of Understanding with Service Employees International Union, Local 1021

**RESTATED AND AMENDED  
MEMORANDUM OF UNDERSTANDING**



**Town of Fairfax**  
  
**and**

***SEIU***

**SEIU Local 1021**

## Contents

I.GENERAL PROVISIONS .....	3
IV.HOLIDAYS .....	5
V.VACATION .....	6
VI.SICK LEAVE.....	7
VII.INDUSTRIAL ACCIDENT LEAVE.....	9
VIII.SPECIAL LEAVES .....	9
IX.OVERTIME.....	9
X.COMPENSATORY TIME .....	10
XI.BENEFITS .....	10
XII.BENEFITS FOR PART-TIME EMPLOYEES.....	14
XIII.REINSTATEMENT RIGHTS .....	14
XIV.GRIEVANCE PROCEDURE.....	15
XV.SAVINGS CLAUSE.....	15
XVI.DURATION OF AGREEMENT .....	15
XVII.EMPLOYEE REPRESENTATION TIME .....	15
XIX.FINALITY OF RECOMMENDATIONS .....	16
XX. Union Security.....	16

**RESTATED AND AMENDED  
MEMORANDUM OF UNDERSTANDING  
Town of Fairfax  
SEIU Local 1021  
Miscellaneous Unit**

**PREAMBLE**

This Memorandum of Understanding is entered into pursuant to the Myers-Milias-Brown Act (Government Code, Sections 3500 to 3511) as of the 1st day of July 2024 by and between the TOWN OF FAIRFAX, hereinafter designated "Town," and the Service Employees International Union Local 1021, hereinafter designated "Union," and has been jointly prepared by both parties.

The parties have met and conferred in good faith regarding wages, hours, and other terms and conditions of employment of the employees in said Representation Unit; have exchanged freely information, opinions and proposals; and have endeavored to reach agreement on all matters relating to the employment conditions and employer/employee relations of such employees.

The Town Manager, Finance Director, and Labor Negotiator are the representatives of the Town of Fairfax in employer-employee relations as authorized by the Town Council.

This Memorandum covers employees in the Miscellaneous Employees Representation Unit, as represented by the Union, which has been certified as the recognized employee organization.

This Memorandum of Understanding has been presented to the Town Council for approval as the joint recommendations of the undersigned regarding matters within the scope of representation for all employees in said Representation Unit for the period commencing July 1, 2024 and ending June 30, 2026.

In receiving the rights afforded by this Memorandum of Understanding, no person shall in any way be favored or discriminated against to the extent prohibited by law because of race, creed or national origins, or because of age, sex, marital status, sexual orientation or disability.

**UNDERSTANDINGS AND AGREEMENTS**

The following understandings and agreements shall not become effective until approved by Union and the Town Council.

**I.GENERAL PROVISIONS**

Both parties recognize their mutual obligation to cooperate with each other to assure maximum service of the highest quality and efficiency to the citizens of Fairfax.

This Memorandum of Understanding is subject to all existing laws of the United States of America, State of California, and the ordinances, resolutions, and regulations of the Town of Fairfax. The Town, Union, and the employees affected thereby, unless otherwise specified herein, shall be entitled to all benefits conferred thereby and shall observe all obligations engendered thereby.

**II.SALARY COMPENSATION**

The rate of pay for all classes and employees in the Miscellaneous Employee Representation Unit shall be in effect as shown in Exhibit A- Table A: Monthly Salary Range.

Effective July 1, 2024: Wages for represented unit members covered by this Agreement shall be increased by 5.0%.

Effective July 1, 2025: Wages for represented unit members covered by this Agreement shall be increased by 4.0%.

Hourly rates shall be calculated by dividing an employee's monthly salary by 173.33.

B. Regular Rate of Pay

In determining an employee's regular rate of pay for the purpose of calculating overtime, retirement, and other regular pay calculations, items included and calculations made shall be in accordance with applicable law (e.g. FLSA, the Public Employees' Retirement System, etc.).

C. Employees covered by this agreement shall be paid 24 times per year.

D. Pay for Temporary Promotions

An employee who is assigned to work in a higher position for five working days or more, shall receive compensation for the time worked that is at least 5% greater than the employee's regular rate of pay.

E. Advancement Through the Salary Range

After evaluation of performance and productivity, employees may be considered eligible for an increase in salary in accordance with the following general rules. Employees shall be considered for advancement through the salary range of their classification for satisfactory work over a period of time.

Each classification salary range shall consist of 6 salary steps (A through F).

Step "A" shall be paid upon initial employment for a period of six (6) months. Employment may be made above the first step upon recommendation of the appointing authority and approval of the Town Administrator.

Upon initial employment, advancement will be considered after an employee completes their first six (6) months of employment. Thereafter, advancement through the salary range shall be considered after completion of twelve (12) months in the previous salary step.

Employees may be advanced more than one step upon recommendation of the appointing authority and approval of the Town Administrator.

The Town may conduct performance evaluations every twelve (12) months as the basis to consider advancement through the salary steps. However, an employee shall advance through the salary steps on schedule unless a completed performance evaluation shows unsatisfactory work by the employee over the previous twelve (12) month time period.

III.HOURS OF WORK

A. Regular Work Day

The regular workday is eight (8) hours of work within a period not to exceed nine (9) consecutive hours, interrupted by a lunch break of not less than one-half (1/2) hour, or more than one (1) hour.

B. Regular Work Period

A regular work period shall be forty (40) hours to be worked within a seven (7) day period beginning at 12:01 A.M. Sunday and ending at 12:00 midnight on Saturday.

C. Standard Hours and Days of Work

A standard workweek shall consist of five (5) days, Monday through Friday inclusive; the standard workday shall begin not later than 8:30 A.M. This standard shall not apply to employees of departments that require different schedules of work to meet operational and service objectives of the Town. For example, the standard workday for Public Works crews shall be 7:00 A.M. to 3:30 P.M. With approval of the Town Manager, administrative personnel may work 8:30 A.M. to 5:30 P.M. or 8:00 A.M. to 5:00 P.M., or even 8:30 A.M. to 5:00 P.M., depending on whether a one hour or one-half hour lunch period is taken.

D. Hours Worked

Vacation and sick leave shall be counted as hours worked for overtime calculation purposes; compensatory time shall not be counted as time worked.

E. Reopener on Differentials between Classifications in a Series

The parties agree to begin meeting and conferring in January 2026 to negotiate the differentials between bargaining unit classifications. It is the intent of the parties to study other agencies' differential systems before meeting and conferring and share information during this process. It is also the intent of the parties, through the meet and confer process, to standardize the differentials between unit classifications to allow for natural growth and long-term progression through the classifications in a series (e.g. the top step salary of Maintenance Worker 1 would be less than or closer to the bottom step salary of Maintenance Worker II).

IV. HOLIDAYS

A. The Town agrees to provide employees covered by this agreement fourteen (14) paid holidays per year:

- January 1, New Year's Day
- 3rd Monday in January, Martin Luther King Jr. holiday
- 3rd Monday in February, Washington's Birthday
- Last Monday in May, Memorial Day
- June 19<sup>th</sup>, Juneteenth
- July 4, Independence Day
- 1st Monday in September, Labor Day
- November 11, Veteran's Day
- Thanksgiving Day
- Friday after Thanksgiving
- December 24, Christmas Eve
- December 25, Christmas Day
- 2 Floating Holidays

In addition to the above, any other single day appointed by the President of the United States or the Governor of the State of California for a public fast, thanksgiving or holiday, and observed by the Town.

B. It is the intent of this agreement that all full-time employees receive fourteen (14) paid holidays regardless of their assigned work week. When a holiday falls on a Saturday, the preceding Friday shall be deemed a holiday. When a holiday falls on a Sunday, the following Monday shall be deemed a holiday, or when the holiday falls on an employee's regular day off, they shall receive straight time payment for that day or may choose not to take payment but select another day as holiday leave with pay during the fiscal year with the consent of the department head. Employees not in a pay status, excluding disciplinary action, on the day preceding a holiday shall not receive the benefit of a paid holiday.

- C. The floating holiday may be taken at any time during the fiscal year with the approval of the employee's supervisor. Employees must provide reasonable notice to their supervisors of their request. The Town will make good faith efforts to allow employees to use their floating holidays. In the event a supervisor denies the use of a floating holiday due to the impact on service levels for the requested day and it cannot be used on another day during the fiscal year, the Town Manager may approve the use of the floating holiday during the next fiscal year. Except as provided above, the floating holiday may not be accumulated and carried forward to the next fiscal year. Two floating holidays (8 hours per day) are credited to each employee's leave balance on July 1<sup>st</sup> of each year. New employees will be credited with two floating holidays at the time of hire.

V.VACATION

A. Vacation Entitlement

Employees covered by this agreement shall be eligible for vacation as follows:

<u>Service</u>	<u>Days</u>
1 through 48 months (4 years)	13
49 through 120 months (10 years)	17
121 months through 180 months (15 years)	22
181 months and over (15 years/1 month)	25

B. General Provisions

Vacation entitlement is earned on a semi-monthly basis calculated by multiplying the annual entitlement times 8 hours and dividing by 24.

No employee shall be entitled to take any vacation until they have at least six (6) months of continuous service. When an employee is in a leave without pay status, they shall not be entitled to earn vacation. Upon termination of an employee's service with the Town, they will be paid a lump sum for all earned vacation.

The times for which an employee may take vacation will be as approved by the department head with due regard for the wishes of the employee and particular regard for the needs of the service and with the approval of the Town Manager or their designee.

It is the policy of the Town that employees take their normal vacation each year. An employee may carry the balance of their earned time over to the next year, provided, however, that no employee shall be allowed to accumulate more than 240 hours of earned vacation. With good cause and the approval of the Town Manager or their designee, an employee may be allowed to accrue up to a maximum of 300 hours of earned vacation. Vacation time may be taken in increments of an hour.

Each fiscal year, Employees covered by this Agreement may convert to cash up to 100 hours of vacation time that will be accrued, as long as the employee maintains a minimum balance of 80 hours of vacation leave after the cash out. Decisions as to how much vacation to cash out must be made on or before December 15 each year and, once made, are irrevocable. The cash-out will be provided/paid in the first pay period of the following fiscal year, once the time has been accrued. (i.e., if an employee, on December 15, 2021, elects to cash-out 40 hours that will accrue during Fiscal Year



2021-22 payment of those 40 hours will be made in July 2022). In no case can an employee elect to cash-out time that was already earned as of the time of the election, and in no case can an employee elect to cash-out time in excess of what they will earn from the time of the election to the end of the fiscal year. If (a) the employee has used vacation time, such that the amount elected to be cashed-out is not available or (b) the employee, after the cash-out, will not have 80 hours of vacation remaining, the amount for cash-out will be reduced accordingly.

## VI. SICK LEAVE

### A. General

1. Each employee covered by this agreement shall earn one working day of sick leave for each month or major fraction thereof served up to a maximum accumulation of one hundred sixty (160) days (1280 hours).
2. Sick leave with pay shall be granted to all full-time employees holding probationary or permanent status. Except as provided for by law, sick leave shall not be considered as a right which an employee may use at their discretion. Sick leave will be allowed in cases of necessity or actual personal sickness or disability, including illness in the immediate family where the employee's attendance is required.
2. Authorized Use of Sick Leave includes:
  - a) Non-industrial illness or injury when an employee has a medical or dental appointment which cannot be scheduled outside the workday; has a medical emergency or is indisposed by reason of illness, injury, exposure to contagious disease, or trauma from attending work and performing duties; or when an employee's illness would endanger or disturb coworkers.
  - b) Diagnosis, care, or treatment of the employee's existing health condition or preventive care for an employee; or
  - c) Diagnosis, care, or treatment, of an existing health condition or preventive care, for an employee's family member. For the purposes of using sick leave under this policy only, "family member" will mean as defined by California's sick leave law an employee's parent, parent-in-law, child of any age or dependency status, spouse, registered domestic partner, sibling, grandchild, grandparent, or "designated person."
  - d) Diagnosis, care, or treatment, of an existing health condition or preventive care, for an employee's Designated Person. An employee may designate only one (1) person in a twelve (12) month period to use sick leave for their care. An employee may designate their person at the time leave is requested.
3. Use of Sick Leave for Victims of Domestic Violence.

In addition, with appropriate certification an employee who is a victim of domestic violence, sexual assault, or stalking may use accrued paid sick leave under this policy for the following reasons:

  - a) To obtain or attempt to obtain any relief, including, but not limited to, a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety, or welfare of the victim or the victim's child;
  - b) To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking;
  - c) To obtain services from a domestic violence shelter, program, or rape crisis center;
  - d) To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking; or

- e) To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

All employees, including part-time, limited service, and provisional employees, who use paid leave to address issues related to domestic violence, sexual assault or stalking, and who cannot provide advance notice of their need for leave must provide certification of the need for leave within a reasonable time thereafter. (Labor Code § 230(d)(2).)

#### Other Paid Sick Leave

From time to time, other paid leave options may be available to some or all employees of the Town based on current legislation or regulation. The Town will provide employees with notices of new leaves with information on who is eligible, the qualifying reasons for the leaves, and procedures on how to request and use such leaves.

3. Exigent circumstances notwithstanding, employees are required to call their supervisor prior to their shift beginning to inform them of the following: a) they will be out sick for the day, b) they will be late to work, or c) they will be using sick leave for a portion of the day.

The use and disposition of accumulated sick leave may be authorized as follows:

1. Absence of an employee due to illness shall be charged to accumulated sick leave provided that, (1) the employee, or someone on the employee's behalf has notified the immediate supervisor or department of the illness prior to the time set for beginning their daily duties, and (2) the employee, upon returning to work, can substantiate the claim of personal illness during the period of absence.
2. A certificate of illness, prepared by a licensed medical doctor, shall be submitted for any absence of five (5) or more consecutive days on account of illness and may be required by the Town Manager or in accordance with prevailing laws for absences of a shorter duration. The certificate shall be limited to inquiry as to whether the employee is able to perform the "essential" functions of their position. Any absence for which a required certification of illness has not been submitted shall not be charged to accumulated sick leave.
3. If any employee terminates or is terminated from Town services for any reason whatsoever, all accumulated sick leave shall be canceled.

#### B. Bereavement

Up to five (5) days not chargeable to sick leave may be used for the death of a member of the immediate family. A member of the immediate family means spouse, child, parent, sibling, grandparent, grandchild, domestic partner, or parent-in-law or such other person as the Town Manager may consider to be of a comparable relationship whether that relationship has legal status or not.

#### C. Exceptions

Should an employee use sick leave for illness or injury resulting from an employment other than with the Town of Fairfax, and, therefore, be eligible for Worker's Compensation benefits, the Union hereby agrees that said employee shall forward a personal check to the Town of all funds received as Worker's Compensation benefits each pay period while said employee is receiving full salary from the Town as a result of their use of sick leave.

#### D. Exhaustion of Sick Leave

When an employee is on sick leave status and such sick leave time due the employee has been exhausted, subsequent leave of absence shall first be charged to compensatory time accruals and then to vacation accruals. An exception shall be made if such would cause an employee to lose vacation that could not be carried forward.

## VII.INDUSTRIAL ACCIDENT LEAVE

Any employee incurring an injury or disability in the performance of their duties shall be entitled to compensation leave to the extent provided by the State Workers' Compensation and Insurance Act or any other applicable law in force at the time of leave. Any employee on injury leave shall receive full salary to the extent vacation leave and sick leave time is available to be charged for the difference between the full salary paid and the compensation insurance payments received by the Town. The first five days of injury leave shall not be offset against sick leave or vacation accruals provided:

1. The accident is in fact work related.
2. Time off work is necessary as determined by a physician.
3. The duration of the time off work is necessary as determined by a physician.

Full salary payments are subject to the following conditions:

1. Compensation insurance payments received by the employee, except payments received for permanent total or partial disability, shall be remitted to the Town Treasury for the period the subject employee continues to receive full salary from the Town; and
2. In cases where an industrial accident victim exhausts all paid leave, Town will continue to contribute, for the period of approved leave of absence, the amount due toward an employee's medical, dental, life and other insurance premiums the employee was receiving at the time of the industrial accident.

## VIII.SPECIAL LEAVES

### A. Miscellaneous Leaves with Pay

1. Military Leave. Military leave shall be granted by the appointing authority in accordance with the provisions of applicable State and Federal laws.
2. Jury Leave. An employee on provisional, probationary or permanent status when called to serve on a jury shall be given leave to do so with pay, subject to these conditions:
  - a. The employee shall notify the department head immediately upon receipt of the notice to serve; and
  - b. Any payment except travel pay received by the employee for serving on the jury shall be remitted to the Town.
3. Representation Time (See Section XVII)

### B. Leave of Absence Without Pay

Department Heads may grant a permanent or probationary employee leave of absence without pay or seniority, for a period not to exceed three months. The Town Manager may grant leave of absence without pay or seniority to exceed three months, but in no case shall the total leave of absence exceed one year.

No such leave shall be granted except upon written request of the employee setting forth the reason for the request. The request must be approved in writing by the Department Head or Town Manager. Upon expiration of a regularly approved leave, or within a reasonable period of time after notice to return to duty, the employee shall be reinstated in the position held at the time leave was granted. Failure on the part of an employee on leave to report promptly at its expiration, or within a reasonable time after notice to return to duty, shall be cause for discharge.

## IX.OVERTIME

### A. Overtime Eligibility

Employees covered by this Memorandum of Understanding are eligible for overtime pay at the rate of time and one-half (1.5) pay at the regular rate of pay. Overtime is time worked beyond forty (40) hours during the regular work week. If that work week has been reduced and/or changed by the Management/Town Council through no fault of the employee, then overtime will be defined as time worked beyond the redefined work week

Employees covered by this MOU are eligible to receive overtime pay at the rate of double time (2) pay at the regular rate of pay for more than 12 hours worked in a workday. Employees should inform their supervisor in advance of the possibility of working more than a 12-hour shift.

#### B. Call Back

Any employee eligible for overtime who has departed their work location and is called back is guaranteed a minimum of three hours (3) compensation at the overtime rate, and hours worked will be included in overtime calculations as required by law. This provision does not apply to assigned hours worked by the Administrative Assistant for pre-scheduled Planning meetings.

#### C. Standby Pay

When after the employee's regular work period they are required by written order of their department head to leave work where they may be contacted to return to work if needed within one hour, employee shall receive two (2) hours pay at the overtime rate for each eight-hour period (or at that ration) for time they are required to remain on standby outside of standard hours and days of work, and are not called back. Standby premium pay shall be included in overtime calculations as required by law, and it is payable to the employee in addition to any overtime earned in the event the employee is actually called back to work (see Section IX.B. Call Back).

#### D. Limitation of Overtime

It is the policy of the Town to keep all overtime usage to a minimum. Overtime payment will be controlled by funds authorized in the approved budget. This policy extends to all varieties of overtime usage including holdover and callback. Overtime must be authorized in advance by the Department head, Town Manager or the Chief of Police. Overtime shall be compensated to the nearest half hour. This shall apply to accumulation of all overtime during a work week.

### X.COMPENSATORY TIME

For employees occupying classifications that are eligible for overtime, compensatory time in lieu of overtime hours worked may be taken at the request of the employee with the approval of the department head.

An employee may accumulate up to forty (40) hours to be carried beyond the work period. If an employee has accumulated forty (40) hours, then additional time worked must be taken off during the work period or allocated as overtime pay. Accumulated overtime for eligible employees for compensating time purposes shall be accumulated at the rate of 1.5 times actual time worked.

### XI.BENEFITS

#### A. Health and Welfare

Town shall cover the amount necessary to provide up to the Family Kaiser and Dental premium rates for each full-time regular employee covered by this agreement. The dental cap is \$2,000 per year.

Employees hired after 7/1/2013 will pay a portion of their medical coverage as follows: Single only, fully covered. Single plus 1 \$100 per month; Family coverage \$200 per month. The Town shall provide coverage based on Kaiser Health Plan premiums.

Town shall maintain at least the current level of benefits and employer contributions, should the Congress enact health care reform legislation during the term of this agreement. Town and Union hereby agree to use P.E.R.S. Health Plan for medical insurance, thereby accepting that plan's benefit stipulations.

When an employee commences work for the Town, their benefit distribution selection shall become effective the first of the month following the date of employment. Deduction for benefits shall be made within the month for which coverage is provided.

Employees can choose any combination of benefit options no later than July 1 of each year. Any balance remaining can be added to gross salary but not to exceed \$200 a month. Such choice will remain in effect for a full year. The employee may add or delete dependent health coverage only during the year if one of the following conditions apply:

1. Birth/adoption (add dependent coverage).
2. Death (delete dependent coverage).
3. Marriage (add dependent coverage).
4. Divorce (delete dependent coverage).
5. Change in employment status of dependent (dependent becomes employed, may delete dependent coverage; dependent ceases employment, may add dependent coverage).

Before an employee can receive cash back for not using the Town contribution for health care coverage, evidence must be shown that the employee and family members have health care coverage from another insurance plan.

B. Life Insurance shall be paid for and provided by the Town in the amount of \$15,000 for members of the bargaining unit.

C. [Reserved]

D. Retirement

For all employees hired prior to July 1, 2009, the Town agrees to continue the Public Employees Retirement System benefit of 2.5% at 55 for all current Town employees in the Local Miscellaneous Members Retirement Program, and to continue Level III Survivor Benefits and post retirement survivor benefits, sick leave credit and average of three highest years. Employees pay the full employee contribution for the formula as calculated by PERS.

Effective July 1, 2009, the Union and the Town agree to implement a two-tiered retirement plan. Any new employee hired after the PERS contract is amended to the two-tiered system, will be members of the 2% at 55 modified Retirement Plan B. All employees hired on or after July 1, 2009, participate in the PERS system benefit of 2% at 55 and will also receive a \$100 per month non-matching contribution towards a deferred compensation plan. Employees pay the full employee contribution for the formula as calculated by PERS.

All employees hired on or after January 1, 2013, will be provided PERS retirement benefits in compliance with the 2012 Public Employees Pension Reform Act (PEPRA) as follows:

- Employees classified as "new" under PEPRA will be covered by the PERS 2.0% @ 62 plan.
- Employees classified as "Classic" under PEPRA will be covered by the CalPERS 2.0 @55 Plan.

All employees hired on or after January 1, 2013, classified as "New" under PEPRA will pay at least fifty percent (50%) of the Normal Cost of their Plan as calculated annually by PERS.

Retiree medical coverage shall apply to employees who were hired prior to July 1, 2013 and who retire from the Town of Fairfax. The amount received will be based upon the CalPERS Kaiser employee only rate at the following formula:

10 years of service	25%
15 years of service	50%
20 years of service	75%
25 years of service	100%

Retiree medical coverage is intended to be a reimbursement of employee medical insurance premium costs after retirement. Retirees receiving health care coverage shall annually submit written evidence of medical coverage (e.g., premium bill from health care insurance provider) to the Town as requested to be eligible for reimbursement. Premium reimbursements include the Town's cost to PERS for the Minimum Employer Contribution (MEC) established by PEMCHA if applicable.

Medicare eligible retirees must apply for and receive Medicare benefits to be eligible for full reimbursement. For retirees on Medicare, the reimbursement may include both the Medicare and PERS Kaiser Rate for employee only premiums for the retirees provided the total cost does not exceed the maximum PERS Kaiser Rate for employee only, including any MEC costs to the Town, based on the above formulas. Retirees not eligible for Medicare will continue to receive the PERS Kaiser employee only rate based on the above formulas.

New employees hired after July 1, 2013 shall not be eligible for retiree medical coverage paid for by the Town. For employees hired on or after July 1, 2013 covered by this MOU, the Town will contribute 1% of the employee's regular rate of pay into a Retirement Health Savings plan (RHS). This contribution will begin July 1, 2018. If the Town's RHS plan is established after July 1, 2018, the Town agrees to make its contributions retroactive to July 1, 2018. The Town will establish an RHS plan no later than October 1, 2018. The Town will make its contribution to an employee's RHS plan each pay period based on the employee's regular rate of pay at that time.

#### F. Uniform Allowance

The Town shall pay each employee in the Maintenance classification Four Hundred Twenty-five Dollars (\$425.00) annually. Uniform allowance will be paid to all employees with payroll on November 30th of each year. As an employee is hired, they will receive \$425 immediately instead of waiting until November 30th. If the employee is hired after July 1, \$425 will be received immediately and the second-year payment will be prorated based on the months employed during the first fiscal year. Payments on November 30 will be for the fiscal period of July 1 to June 30. If an employee should leave before November 30, they will be entitled to a pro rata share in their final paycheck. If an employee should leave after November 30 and had received the allowance, the unearned pro rata share will be deducted from the final paycheck.

The uniform required will be as set out in administrative policy and employees will be required to wear said uniform. Special safety equipment mutually agreed upon by Union and the Town as required by State or County regulations shall be furnished by the Town.

#### G. Educational Reimbursement

A tuition and textbook reimbursement program shall be available to Town employees to encourage and financially assist employees to continue their education and broaden their backgrounds so as to improve job knowledge, skills and capacities on their present job.

Eligible employees will be reimbursed 100% of the tuition and for fees for textbooks and supplies under certain conditions for professional and technical courses offered by accredited colleges, universities, business, trade or correspondence schools or by an otherwise accepted professional association or institute,

Conditions under which reimbursements may be approved are as follows:

1. The course work must relate to the employee's present position or must be beneficial to the employees' related professional development, or must enhance career advancement potential within the Town as follows:
  - a. An improvement in skills or knowledge required by the present position;
  - b. Preparing the employee for changes in duties due to the different use of a position or class;
  - c. Preparing the employee for the assumption of new and different duties as a result of a recent professional appointment; or
  - d. Preparing the employee for promotional opportunities,
2. Requests for reimbursement must be approved by the Town Manager before enrollment in the course.
3. Reimbursement will be made for tuition fees and/or required textbooks and a reasonable amount of supplies verified by receipts upon completion of the course with a grade of "C" or better, "Satisfactory," "pass" or the equivalent,
4. The employee must have completed their probation period.
5. The employee must not be receiving funds for the same course from any other source, such as Veteran's Benefits, scholarships, etc.

I. IRS Section 125 Benefit

Under provisions of this plan, employees may shelter from income tax certain recurring expenses such as disability insurance plans and health insurance costs. The Town agreed to expand the IRS plan to include the Uncovered Eligible Health Care Expenses Section of the Code and to educate the employees to the benefits afforded by the plan so that it could be implemented for calendar year 1994.

J. Vision Reimbursement

Employees are eligible to be reimbursed for eye exams, prescription glasses/contacts, vision plan premiums paid out of pocket by employees, and co-pays for vision plans as required for the employee and dependents. The annual fiscal year amount is \$200. Unused amounts may be carried forward to the next fiscal year. The maximum amount that can be carried over from one year to the next is \$200 for a maximum reimbursement of \$400 in any one fiscal year. Employees must submit copies of receipts indicating the amount and a description of the service or good paid for by the employee or dependent in that fiscal year.

H. Meal Allowance

The Town will pay each employee in the maintenance classification Three Hundred Dollars (\$300) annually. The meal allowance shall be paid to all employees with payroll on January 15<sup>th</sup>. Employees hired after January 15<sup>th</sup> will receive a pro rata share of meal allowance based on the calendar year.

I. Longevity Pay

Effective the first full pay period in October 2022 and payable retroactively to that date, following ratification by the Union, and approval by the Fairfax Town Council, employees will receive longevity incentive on base salary according to the following schedule:

- 1% after 9 years; and
- 1% after 14 years; and
- 1% after 19 years; and
- 1% after 24 years; and

1% after 29 years.

Longevity is cumulative and will not exceed 5% in total.

#### J. Paid Emergency Leave

In the event that an emergency is declared that impacts Town facilities or operations and results in the closure of any facilities, employees regularly assigned to work in a closed worksite may be required, at the discretion of the Town, to report to a worksite other than their regular worksite to assist in emergency duties as a Disaster Service Worker, to a non-impacted worksite for regular duties, or to work from home if telework is available.

If employees are not assigned to a non-impacted worksite, assigned to assist in emergency duties, or assigned to telework, they shall be granted leave up to 10 days in any calendar year and compensated for their regularly scheduled workday with no adverse effect to the employee.

This provision applies to Federal, State, County, or Local declared emergencies or to other non-declared circumstances that result in the closure of Town facilities.

The above section also applies if an employee is unable to work because the employee has been ordered or advised to evacuate their permanent residence and is unable to safely report to work due to natural disaster or other government-declared emergency.

If an employee is at the worksite when their permanent residence is advised to evacuate by relevant authorities, the employee will be allowed to leave work under this section.

#### XII. BENEFITS FOR PART-TIME EMPLOYEES

Part-time employees, hired on a permanent basis for a position allocated at more than 1,000 hours per year, shall be entitled to all benefits provided on a reduced time or payment basis computed on the ratio of allocated part-time employment to full-time employment.

Both parties recognize that this provision is a good faith effort to provide flexibility to the Town during fiscally difficult times. It is not an effort on the part of the Town to circumvent the security and protection of the contract by reallocating positions, present and future, to avoid the payment of fringe benefits. Likewise, this is not an attempt by Union to prevent the Town from hiring part-time employees on a temporary basis.

In the event that a part-time, temporary employee accrues 1,000 hours or more consecutive work-time, credit shall be given for sick leave and vacation only, on a proportionate basis.

#### XIII. REINSTATEMENT RIGHTS

Persons having resigned from the Town in good standing, or employees laid off or demoted for reasons of curtailment of work or lack of funds may be granted re-employment rights by petitioning the Town Manager for re-employment rights within eighteen (18) months from the date of resignation, lay-off or demotion. A petition for re-employment rights must have an endorsement from the appointed authority of the department from which the person resigned; said endorsement shall not be unreasonably withheld.

If re-employment rights are granted, the candidate's name shall be placed on the eligible list of the classification in which permanent status previously was held.

The employee who is restored to a former position will be treated as if they were on a leave of absence without pay. Seniority shall be restored for the purposes of merit increase eligibility, vacation accrual rate, and Reduction of Force.



The name of an eligible on a re-employment list following voluntary resignation shall be automatically deleted by unavailability for employment after three (3) opportunities to an open position, or by appointment to any Town position.

#### XIV.GRIEVANCE PROCEDURE

A grievance shall be considered any matter not prohibited in the Personnel Ordinance, or for which review process is established by other regulations and specifically includes:

- A. A dispute about the interpretation or application of any ordinance, resolution, rule, regulation or decision governing personnel practices, safety practices, procedures or working conditions, or any alleged improper treatment of an employee.
- B. A dispute about the practical consequences of a Town-wide decision on wages, hours, and other terms and conditions of employment.
- C. A dispute concerning the interpretation or application of a Memorandum of Understanding.
- D. Specifically excluded are issues relating to classification and performance appraisal. Separate review procedures for performance appraisal shall be established.

The grievance procedure is established by separate resolution of the Town Council.

#### XV.SAVINGS CLAUSE

If any article or section of this agreement shall be held to be invalid by operation of law, or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any article or section should be restrained by such tribunal, the remainder of this agreement shall not be affected thereby, and the parties shall, if possible, enter into meet and confer sessions for the sole purpose of arriving at a mutual satisfactory replacement for said article or section.

#### XVI.DURATION OF AGREEMENT

This agreement shall be effective as of the first day of July 2024 and shall remain in full force and effect until the thirtieth day of June 2026 at 11:59 PM, and that all terms and conditions not herein modified remain in full force and effect.

It shall automatically be renewed from year-to-year thereafter unless either party shall have notified the other, in writing, at least ninety (90) days prior to the annual anniversary date that either desires to modify the agreement. Nothing in this paragraph shall preclude the parties from jointly agreeing to meet and confer on any issue(s) within the scope of representation during the term of this agreement.

Upon the giving of notice provided herein, the parties shall meet, collectively negotiate, and attempt to resolve differences concerning proposed amendments and changes submitted by either of them. Every effort shall be made to complete such negotiations prior to the end of the contract term.

The parties agree to meet and confer in good faith regarding any "dire financial situation" that may arise during the term of this agreement. A "dire financial situation" is defined as a foreseeable loss of 5% of the Town's General Funds revenue within the next twelve (12) month period. Either party can request to meet and confer under this paragraph with a 30-day written notice to the other party.

#### XVII.EMPLOYEE REPRESENTATION TIME

Two (2) hours per month maximum will be granted to the designated representative of the Miscellaneous Unit for necessary Union activities, in addition to bargaining sessions scheduled during working hours. Such time may be accumulated for mutually agreed upon training events.

## XVIII.MANAGEMENT RIGHTS

Town retains, solely and exclusively, all the rights, powers and authority exercised or held prior to the execution of this Memorandum of Understanding, except as expressly limited by a specific provision of this Memorandum of Understanding. Without limiting the foregoing, the rights, powers and authority retained solely and exclusively by the Town and not abridged herein, include, but are not limited to, the following:

To manage and direct its business and personnel; to manage, control and determine the mission of its departments, building facilities and operations; to create, change, combine, abolish jobs, departments and facilities in whole or in part; to subcontract or discontinue work for economic or operational reasons; to direct the work force; to increase or decrease the work force and determine the number of employees needed; to hire, transfer, promote and maintain the discipline and efficiency of its employees; to establish work standards, schedules, and reasonable workloads; to specify or assign work requirements and require overtime; to schedule working hours and shifts; to adopt rules of conduct and penalties for violations thereof; to determine the type and scope of work to be performed and the services to be provided; to determine the methods, processes, means, and places of providing services and to take whatever action necessary to prepare for and operate in an emergency.

If any matter in the exercise of these management rights clause falls within the scope of representation as defined under the Myers-Milias-Brown Act, the Town agrees to give notice and meet and confer prior to implementation.

## XIX.FINALITY OF RECOMMENDATIONS

Upon ratification by the Town Council the recommendations set forth above are final. No changes or modifications shall be offered, urged, or otherwise presented by said Union or the Town Manager for the period of this agreement, except that, if the Federal Government should mandate Social Security contributions to be made by the Town during the term of this contract, then the terms of this contract shall be re-opened and subject to re-negotiation.

Nothing in this paragraph shall preclude the parties from jointly agreeing to meet and confer on any issue(s) within the scope of representation during the term of this Agreement.

No agreement, alteration, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall in any manner be binding upon the parties hereto unless made and executed in writing by all parties hereto, and if required, approved and implemented by the Town and Union.

## XX. Union Security

### Union Membership

The Town shall honor an employee's check-off authorization for dues, COPE or other Union-sponsored program, which are submitted in writing, through electronically recorded phone calls, via online deduction authorization, or by any other means of indicating agreement allowable under state and federal law, regardless of whether the employee is a member of the Union.

Deductions for dues, COPE or other Union-sponsored program shall start the first full pay period after the Town receives notification of the authorization. The Town shall transmit such payments to the Union through electronic funds transfer no later than thirty (30) days after the deduction from the employee's earnings occurs.

Requests to authorize dues/other deduction(s), or requests to change status regarding such deductions, shall be directed to the Union rather than the Town. The Town shall rely on the Union's explanations in a certified list, submitted by a representative of the Union who has authority to bind

the Union, regarding whether an authorization/change in deduction(s) has been requested by the employee.

The Union is responsible to obtain and maintain voluntary written authorization for membership dues deductions. Membership dues deductions shall automatically renew unless written notice is provided by the authorized representative of the Union certifying a change in membership dues. The Town shall honor any changes to membership dues deduction amounts provided by the Union. The Union shall not be required to provide the Town a copy of the employee's authorization unless a dispute arises about the existence or terms of the authorization.

The Union shall indemnify, defend, and hold the Town harmless against any claims made and/or any suit against the Town which may arise as a result of its deductions for membership dues or other programs sponsored by the Union.

The Town shall produce to SEIU Local 1021's Membership Department every thirty (30) days, on a regular ongoing basis, a malleable electronic file containing the following information for all current employees covered by this Agreement: Full Name (first, middle, last, suffix); Employee Number (if the Town adopts Employee numbers); Job Title; Department; Telephone numbers, including personal cellphone, home phone and work phone; Personal email address, as provided by the employee; Home Address; Pay Rate; Pay Status.

Union Notification

The Town shall notify the Union of a new employee's expected first day at work at least ten (10) calendar days in advance except that a shorter notice may be provided in a specific instance where there is an urgent need critical to the Town's operations that was not reasonably foreseeable. In addition, the Town shall provide the Union an electronic list of new employees with their contact information at least three days in advance of their expected first day at work. A representative of the Union shall be permitted to meet with new employees within 10 days from their start date.

IN WITNESS THEREOF, this MEMORANDUM OF UNDERSTANDING between the TOWN OF FAIRFAX and SEIU LOCAL 1021 is hereby executed on this \_\_\_\_ day of July 2024.

\_\_\_\_\_  
Heather Abrams, Town Manager

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Michael Vivrette, Finance Director

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John Tierney, Union Representative

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Susan Waters, Union Representative

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John Freeman, Union Representative

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Guy Norenus, Union Representative

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Joel Evans-Fudem, Chief Negotiator on behalf of SEIU Local 1021

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Andrea Zanetti, Regional Director for SEIU Local 1021

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David Canham, Executive Director for SEIU Local 1021