

**TERMS AND CONDITIONS OF EMPLOYMENT FOR THE
MANAGEMENT CITY EMPLOYEES UNIT EFFECTIVE
July 1, 2025 through June 30, 2027**

ARTICLE 1: PREAMBLE

This agreement, pursuant to the State of California Government Code Section 3500 et seq., entered into by the City of Clayton, hereinafter referred to as "City", and its Undesignated Miscellaneous City Employees, hereinafter referred to as "Unit", is hereby effective July 1, 2025 through June 30, 2027.

It is the intent and purpose of this document to set forth the understanding and agreement of the parties reached as a result of meeting and consulting in good faith regarding, but not limited to, matters relating to wages, hours, and terms and conditions of employees represented by the Unit. Any and all other employment matters not contained in this document are applicable as found in the City's "Personnel Systems and Guidelines" dated March 1993.

ARTICLE 2: GROUP DESCRIPTION

The following job classifications are members of this Unit for purposes of the agreements in this document:

Job Classifications

Administrative Services Director
City Clerk / Assistant to the City Manager
Public Works Director
Project Manager
Accountant
Senior Planner

All classifications are considered "at-will". The City Manager may terminate employment at any time. Because these positions work at the will of the City Manager, they do not serve a probationary period. This paragraph is declaratory of existing rights and status, as has been previously memorialized in the City's Handbook.

ARTICLE 3: PERSONNEL FILES

The City's secure personnel files, maintained in the city offices, are not subject to public inspection. Any employee has the right to inspect their own personnel file. An employee has the right, in accordance with law, to respond in writing to anything contained or placed in their own personnel file and any such response(s) shall become part of their personnel file.

ARTICLE 4: WORK HOURS AND PAYROLL CYCLE

The work period (hours) for classification and corresponding compensation in this Unit will be 40 work hours in a 7-day work period (which runs from 12:00 a.m. Monday through 12:00 midnight Sunday), paid bi-weekly every 14 days.

Any employee in this Unit scheduled to regularly work less hours than the defined work period shall receive a corresponding pro-rated portion of the monthly compensation and employee benefits outlined in Articles 5, 6, and 8 below to the extent permitted by the applicable plan.

The pay period for all employees shall be bi-weekly. The pay period is two consecutive 7-day work periods beginning 12:00 a.m. Monday through 12:00 midnight the second Sunday thereafter. There are twenty-six (26) pay periods in a fiscal year from July 1 through June 30. Time sheets are due to Payroll at the start of the day work shift the Monday following close of the pay period Sunday. City pay checks are available and distributed on the Friday after the close of a pay period.

NOTE: From time to time, Payroll deadlines for submittal of time sheets and actual pay day may be altered due to designated City holidays. Payroll will notify all employees in advance when these circumstances arise. The time sheet deadline may be adjusted as needed to meet City payroll deadlines. Employees required to estimate hours worked due to an early time sheet deadline shall do so based on an employee's normally assigned work schedule.

ARTICLE 5: COMPENSATION

Section 5.1 Wages

- A. Effective 01 July 2025, the monthly base salary ranges for the following job classifications in this unit shall be increased by four percent (4%);
 - i. Assistant City Manager/Administrative Services Director
 - ii. City Clerk/Assistant to the City Manager
 - iii. Accountant

B. Effective 01 July 2026, the monthly base salary for the following job classifications in this unit shall be increased by three percent (3%);

- i. Administrative Services Director
- ii. City Clerk/Assistant to the City Manager
- iii. Public Works Director
- iv. Project Manager
- v. Senior Planner
- vi. Accountant

5.2 Salary Schedule Advancement

Employees who have not yet reached Step E for their respective classifications may be eligible for a merit increase step increase once yearly on their annual salary anniversary dates. Eligibility is contingent on above satisfactory evaluation, and such merit step increase must be approved in writing by the City Manager. In no event shall a merit step increase be earned or granted beyond Step E or the expiration date of this agreement.

5.3 Certification Pay

The City has the sole and exclusive right to determine and designate which Employees, and how many Employees, are eligible to receive Notary Pay of \$50.00 per month. Designated Employees will be required to successfully complete any and all training courses and pass any associated testing.

5.4 Deferred Compensation

Employer maintains a deferred compensation plan pursuant to Internal Revenue Code Section 457 ("the Plan"). Employer shall provide a monthly contribution of \$100, paid directly into the Plan on Employee's behalf. In addition, Employee shall match at a minimum the employer's contribution from their own wages to the Plan, subject to limitations and restrictions imposed by the Plan and applicable law.

5.5 Longevity Pay

Employees listed in this agreement who have achieved the following years of service shall receive the Longevity Pay Incentive applied to base pay as shown. Years of service only pertain to City of Clayton service time. Percentages are not cumulative.

- Five Years 2%
- Ten Years 3%
- Twenty Years 5%

ARTICLE 6: MEDICAL, DENTAL, AND LIFE/ACCIDENTAL DEATH DISMEMBERMENT INSURANCE

Section 6.1 City contribution to Medical and Dental Insurance Premiums

The maximum monthly City premium contribution for medical and/or dental insurance coverage for regular, full-time members of this Unit shall be paid by the City in accord with the following employee subscription enrollment schedule:

The City's maximum premium contribution to employee-enrolled medical and dental insurance coverage shall be as follows:

1. Medical Insurance (thru CalPERS' Public Employees' Medical and Hospital Care Act). The City's maximum monthly co-pay contribution specified below is benchmarked to the least costly medical insurance program offered between Blue Shield Net Value HMO or Kaiser Permanente plans. Should a member of this Unit elect to enroll in CalPERS medical insurance plan with a corresponding monthly premium higher than the least costly premium between the two medical plans listed above, the employee is responsible for 100% of the added premium cost above the least costly plan's premium for each of the enrollment options noted below:

A. Employee Only enrollment: City Pays 100% of the selected Plan premium.

B. Employee + 1 Dependent enrollment: City pays 100% of the selected Plan premium for the Employee Only and 50% of additional premium expense for the one (1) Dependent.

C. Employee + Family enrollment: City pays 100% of the selected Plan premium for the Employee Only and 59.375% additional premium expense for the Family.

2. Dental Insurance (thru the Municipal Pooling Authority's Delta Dental Health Care Employees/Employers Dental Trust)

A. Employee Only enrollment: City pays 100% of the Plan premium.

B. Employee + 1 Dependent enrollment: City pays 100% of the Plan premium for the Employee Only and 46.8% of additional premium expense for the one (1) Dependent.

C. Employee + Family enrollment: City pays 100% of the Plan premium for the Employee Only and 60.94% of additional premium expense for the Family.

Proration of the above City premium contributions for permanent part-time eligible employees shall be calculated and applied based on said employee's percentage of regularly-scheduled work hours as to regularly-scheduled forty (40) hours work week, (e.g., an employee scheduled to work 24 hours per week received sixty (60) percent of the City's premium contributions).

Section 6.2 Medical In-Lieu

Upon proof to the City Manager of medical coverage from another source, employees may elect to receive \$400.00 per month in lieu of the City's contribution to the employee's medical plan. An eligible employee will be paid on a pro rata basis.

Section 6.3 Life/Accidental Death/Dismemberment Insurance

The City will contract and pay the full premium to enroll each department full-time and part-time employee in a \$50,000 face amount life insurance policy and a \$50,000 Accidental Death and Dismemberment Insurance coverage.

Section 6.3 Short Term and Long-Term Disability Insurance

The City shall continue to provide and pay for short term (STD) and long-term disability (LTD) insurance(s) at the benefit level in place in June 2025 on behalf of each employee of this unit for the purpose of providing contracted levels of continued compensation in the event of an off-duty illness or injury.

ARTICLE 7: EMPLOYEE RETIREMENT PENSION SYSTEM

The City is a member of the California Public Employees' Retirement System, hereinafter referred to as "CalPERS". All regular full-time and regular part-time employees of this Unit are required by contract and corresponding law to be participating members of this retirement system.

Section 7.1 Tier I "Classic" Existing Employees as of June 30, 2010

By contract, the City and its eligible employees of this Unit are members of the 2% at age 55 Miscellaneous Employees CalPERS retirement system. The City shall pay the entire required

Employer CalPERS rate and share for this Miscellaneous Retirement System and all increase in rate thereof during the term of this Agreement, including any

costs of administration. In addition, the City shall pay 100% of the current 7% Employee CalPERS fixed rate and share for member of this Miscellaneous Retirement System.

Section 7.2 Tier II Retirement System for "Classic" Employees

By contract, all regular full-time and regular part-time employees of this Unit hired on or after July 1, 2010 are required to be participating members in the California Public Employees' Retirement System ("CalPERS"). In addition, any new City employees hired after that date but deemed "Classic" CalPERS members due to enrollment and active participation in a CalPERS pension system through another CalPERS public agency, as defined by state law, shall become members of the City's Tier II CalPERS plan. The City shall contract with CalPERS and enroll eligible employees in this hiring category in the CalPERS "2% at age 60" Miscellaneous Retirement System.

The City shall pay the entire required Employer CalPERS rate for this "2% at age 60" retirement system and all increases in the rate thereof, and the employee shall pay 100% of the entire required Employee CalPERS fixed rate. For purpose of calculating eligible retirement pension, the 2% at 60 Plan shall be the average of the highest 3 years of eligible compensation paid to the employee.

Section 7.3 Tier III Retirement System for New Members of this Unit

By contract, all regular full-time and regular part-time employees of this Unit hired on or after January 1, 2013, that are CalPERS "new" members as defined by statute shall become members of the City's Tier III CalPERS plan. The City shall contract with CalPERS and enroll eligible employees in this hiring category in the CalPERS "2% at age 62" Miscellaneous Retirement System.

The City and employee enrolled in this CalPERS plan shall each pay fifty percent (50%) of the "normal cost rate", as defined in the Public Employees' Pension Reform Act (PEPRA), and as calculated by CalPERS. The "normal cost rate" is subject to annual change as ordered by CalPERS.

ARTICLE 8: HOLIDAYS AND LEAVES

Section 8.1 Eligibility for Paid Leave

Permanent employees of this Unit regularly scheduled to work less than an average eighty (80) hour bi-weekly pay period will earn each paid leaves at a rate proportionate to their number of bi-weekly regularly scheduled work hours.

Section 8.2 Holiday Leave

Permanent regular employees of this Unit shall receive the following eleven (12) 8-hour days of paid holiday leave each calendar year:

New Year's Day	January 1
Martin Luther King Jr. Day	Third Monday in January
Presidents' Day	Third Monday in February
Memorial Day	Last Monday in May
Labor Day	First Monday in September
Juneteenth	June 19
Independence Day	July 4
Veterans' Day	November 11
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Day After Thanksgiving
December 24	
December 25	

Holidays falling on non-workdays will be observed on the nearest regular workday. Non-exempt employees must be in a paid status the day before or day following a paid holiday (or be on a pre-approved paid leave) in order to earn the paid holiday.

Staff shall receive eight (8) hours of paid leave on the above-mentioned holidays. Those staff working alternative work schedules may choose to utilize approved leave banks such as vacation, personal, or administrative leave, to cover the additional normal hours worked on that given day or work additional hours during that same week to equal the amount of leave that would otherwise be utilized. For example, if an employee works 4- 10 schedule, they would receive 8 hours of holiday pay on the above-mentioned holidays and could utilize 2 hours of leave on that day to make up the difference or work 2 additional hours that same week, either option will be allowed.

Section 8.3 Personal or "Floating" Leave

In addition to the holidays listed under Section 8.2, all members of this Unit shall receive twenty-four (24) hours of paid Personal Leave in each fiscal year. Said leave hours will be credited on July 1st of each year and shall be taken at the employees' discretion, with the advance consent of their supervisor. If one's Personal Leave hours are not used or exhausted by the end of the fiscal year (June 30th), the remaining hours are forfeited.

Permanent regular employees working less than a 40-hour work week shall receive paid Personal Leave hours on a pro-rata basis based on their number of regularly scheduled work hours per week. Unused Personal Leave is not compensable on separation of employment.

Section 8.4 Vacation Leave

- A. Permanent regular employees of this Unit shall be entitled to earn annual paid vacation leave with pay. Vacation leave credit for a 40-hour work week employee shall be accrued on the following basis:

Month 1 through Month 24:	6.67 hours per month
Month 25 through Month 48:	8.00 hours per month
Month 49 through Month 96:	10.00 hours per month
Month 97 through Month 180:	13.33 hours per month
Month 181 and thereafter:	16.67 hours per month

- B. Vacation leave credit for permanent regular employees working less than a 40-hour week shall be credited as in Section "A" above on a pro-rata basis based upon the number of hours regularly scheduled to work per week.
- C. Vacation leave may be used as earned, subject to the advance approval of one's department manager, based on staffing requirements.
- D. Vacation leave may only be used in increments of one-quarter (0.25) hour or more.
- E. Vacation leave may be accrued to a maximum number of hour's equivalent to twenty-four (24) times one's current monthly accrual rate.
- F. Upon leaving City employment, the employee will be paid for all accrued, unused vacation leave.
- G. An employee may elect once per fiscal year to convert accrued vacation leave hours into accrued sick hours before the end of the fiscal year at a conversion rate of one (1) hour of accrued vacation into one-half (0.50) hour of sick leave, provided the employee's accrued vacation leave balance exceeds their annual vacation accrual specified in sub-section "A" above at the time of conversion.
- H. An employee may elect to convert 40 hours of accrued vacation leave per calendar year in accordance with the "Leave Sell-Back" Administrative Policy. Election for participation in the program shall occur no later than 60 days prior to the start of the new calendar year. The cash-out period shall generally occur 12 months after the

election. At the time of cash out, the employees' vacation leave balance may not fall below 40 hours after participation in this program.

- I. The City Manager may assign FLSA Exempt classification an accrual rate commensurate with their experience, not to exceed the maximum accrual rate above.

Section 8.5 Sick Leave

- A. Paid sick leave is earned at the rate of eight (8) hours for each month worked. Permanent regular employees working less than a 40-hour work week shall earn paid sick leave hours on a pro-rata basis based on their number of hours regularly scheduled to work per week.
- B. Maximum accrual of sick leave is limited to nine-hundred sixty (960) hours of unused leave.
- C. Unused sick leave shall not be paid off in cash upon separation from City employment. The City contracts with CalPERS for retirement benefits and is subject to Section 20965 - Credit for Unused Sick Leave.
- D. Up to forty (40) hours of accrued sick leave may be used by an employee to attend a funeral of close family members (which means spouse, child, parent, sibling, grandparent, grandchild, domestic partner, or parent-in-law), with the approval of the City Manager.
- E. Employees may use accrued sick leave for non-work-related disabilities or illnesses up to the effective or commencement date of short-term or long-term disability benefits or as otherwise required by law.
- F. A physician's report may be required by one's department manager for extended periods of sick leave usage by an employee in this Unit, or if in the determination of the City Manager, the employees exhibit greater than average, or unusual patterns or circumstances in their use of sick leave.
- G. Employees unable to return to work within six (6) months of the date of disability (whether work or non-work-related) may be separated from City employment, unless an extension is approved by the City Manager, and except as otherwise restricted by state or federal law.
- H. Employees who have accumulated two-hundred forty hours or more of accrued sick leave may be credited, at the employee's written request, with two additional vacation leave hours for each consecutive three (3) month period in which no paid sick leave was used by the employee.

Section 8.6 Management Leave

In lieu of earning overtime or compensatory time off, FLSA Exempt managers (as designated by the City Manager) will be granted up to a maximum of one-hundred twenty (120) hours of paid management leave each fiscal year. The amount available to each management employee may vary, at the discretion of the City Manager.

Management leave hours will be credited to the designated manager's leave time account at the commencement of each fiscal year in the total number of hours granted by the City Manager to that employee. Management leave must be used within the fiscal year in which is earned, and unused leave has no cash value and will not be paid in cash or any other form of compensation upon separation from City employment.

ARTICLE 9: BILINGUAL PAY

The City has the sole and exclusive right to determine and designate which Employees, and how many Employees, are eligible to receive bilingual pay of \$75.00 per month.

Designated Employees will be required to demonstrate conversational fluency in a language (e.g., Spanish) as determine by the City Manager based on community/public needs and organizational usage. The City may administer a competency test to certify fluency of the Employee in the designated language. Any such certification shall be a condition prior to Employee qualifying for monthly bilingual pay.

ARTICLE 10: TERM OF AGREEMENT

Except as indicated herein, this Agreement shall be effective commencing July 1, 2025, and continue to and through June 30, 2027.

IN WITNESS THEREOF, this agreement is entered into by the following authorized representative(s) on this 17 day of JUNE 2025, pursuant to the provision of CA Government Code Section 3500, et seq. for presentation to and adoption by the City Council of Clayton, California.

CLAYTON UNDESIGNATED MANAGEMENT CITY EMPLOYEES (UNIT)

By: *Jennifer Giantvalley*
Jennifer, Giantvalley, Unit Representative

CITY OF CLAYTON, CA (CITY)

By: *K*
Kris Lofthus, City Manager