

CITY OF ROLLING HILLS ESTATES
LOS ANGELES COUNTY, CALIFORNIA
RESOLUTION NO. 2601

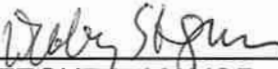
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS ESTATES APPROVING A MEMORANDUM OF UNDERSTANDING SETTING BENEFITS, THE NUMBER OF AUTHORIZED POSITIONS AND COMPENSATION FOR THE CLASSIFIED EMPLOYEE GROUP IN THE CITY SERVICE.

THE CITY COUNCIL OF THE CITY OF ROLLING HILLS ESTATES RESOLVES AS FOLLOWS:

SECTION 1. The City Council by adoption of this Resolution approves the Memorandum of Understanding setting the terms and conditions for the Classified Employee Group in the City Service commencing July 1, 2025 through June 30, 2026 as set forth in the attached Exhibit A.

SECTION 2. The City Clerk is directed to certify to the passage of this Resolution.

APPROVED AND ADOPTED this 24th day of June, 2025.



DEBBY STEGURA, MAYOR

ATTEST:


LAUREN PETTIT, CITY CLERK

I HEREBY CERTIFY that the foregoing Resolution No. 2601 was duly and regularly adopted by the City Council of the City of Rolling Hills Estates at a regular meeting held on the 24th day of June, 2025, by the following vote:

AYES: BROWN SCHACHTER, HUFF, SCHMITZ, STEGURA, ZERUNYAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE



LAUREN PETTIT, CITY CLERK

**MEMORANDUM OF
UNDERSTANDING BETWEEN
CITY OF ROLLING HILLS ESTATES
AND
ROLLING HILLS ESTATES CITY
EMPLOYEES ASSOCIATION**

Adopted 6/24/2025

ARTICLE 1 - GENERAL PROVISIONS

Article 1.01 Introduction

This Memorandum of Understanding ("MOU" or "Agreement") is made and entered into between the ROLLING HILLS ESTATES CITY EMPLOYEES' ASSOCIATION, ("Association"), and the management representatives of the Rolling Hills Estates City Council, ("City"), pursuant to California Government Code Section 3500 and following.

Article 1.02 Term and Effect of Agreement

The parties have met and conferred in good faith regarding wages, hours and other terms and conditions of employment and the benefits contained in this MOU are given in consideration for the various provisions contained herein which may be a change in the prior employment practices of the City. Further, it is mutually agreed that this MOU is effective July 1, 2025 through and including June 30, 2026.

This MOU contains all of the covenants, stipulations and provisions agreed upon by the parties relating to employee wages, hours and other terms and conditions of employment. The parties understand and agree that the specific provisions contained in this MOU supersede any previous agreements, whether oral or written, regarding the matters contained herein and that this MOU prevails over the City's Personnel Rules and Regulations, and other City and Department practices, policies, and procedures, to the extent they conflict.

Therefore, for the term of this Agreement, neither party will be compelled to meet and confer with the other regarding any subject matter covered in this MOU. However, either party may request that other party consent to meet and confer. No matters covered under this Agreement will be changed during the term of this MOU, unless modified through the voluntary, mutual consent in a written amendment.

Notwithstanding any provisions of this MOU to the contrary, the City and Association agree to meet and confer during the term of this MOU on the City's Personnel Rules and Regulations and personnel policies, to the extent that any proposed revisions are within the scope of representation.

Article 1.03 Implementation of Agreement

This MOU will be presented jointly by the parties to the Rolling Hills Estates City Council for its determination and will not be effective until or unless the City Council approves the MOU. The parties will also include any ordinances, resolutions or such other additional actions as may be necessary to implement the provisions of this MOU. If the City Council fails to adopt the necessary ordinances and resolutions to implement the provisions of this MOU, the parties agree to resume the meet and confer process.

Article 1.04 Recognition

The City hereby confirms its recognition of the Association as the recognized employee organization for employees holding positions in the Classified Employees' Group pursuant to the City's Employer-Employee Organization Relations Resolution No. 1322. The appropriate unit represented by the Association is generally described as all full time regular hourly positions and those regular part-time positions as identified in Appendix A.

Article 1.05 Management Rights

Except as limited by the specific and express terms of this MOU, the City reserves, whether exercised or not, all rights, powers, authority, duties and responsibilities confirmed on and vested in it by the laws and the Constitution of the State of California and/or United States of America. The Association recognizes that this includes the unilateral and exclusive right of the City to operate, administer, and manage its public services and its work force performing those services.

The management and direction of the work force of the City is vested exclusively in the City and nothing in this MOU is intended to circumscribe or modify the existing rights of the City to take any of the following actions without meeting and conferring regarding the decision: direct the work of its employees; hire, promote, demote, transfer, assign and retain employees in positions within the City, subject to the Personnel Rules and Regulations of the City, discipline employees for proper cause; maintain the efficiency of governmental operations; relieve employees from duties because of lack of work; take action as may be necessary to carry out the City's mission and services in emergencies; and to determine the methods, means and personnel by which the operations are to be carried out, including the decision whether to contract or subcontract any services performed by the City, and schedule and assign regular and overtime work to City employees. ("Management Rights.")

To the extent required by law, the City agrees to meet and confer on the impact of the exercise of any Management Rights upon represented employees prior to implementation.

Actions taken by the City as Management Rights are not subject to any grievance procedure.

Article 1.06 Severability

If any article, section, subsection, sentence, clause or phrase of this MOU is found to be unenforceable by a court of competent jurisdiction, such findings will not affect the validity of the remaining provisions of this MOU.

Article 1.07 Non-Discrimination

The Association and the City recognize and agree to protect the rights of all employees to form, join, and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matters of employer-employee relations pertaining to wages, hours, and other terms and conditions of employment, or to refrain from joining or participating in protected activities in accordance with Government Code sections 3550 and 3511. Unit members have the right to refuse to join or participate in the activities of the Association and will have the right to represent themselves individually in their employment relations with the City. No

employee will be interfered with, intimidated, restrained, coerced, or discriminated against by the City or by any employee organization because of the exercise of these rights.

ARTICLE 2 – COMPENSATION AND BENEFITS

Article 2.01 Basic Compensation

1. Schedule of Compensation

The schedule of compensation as prescribed in hourly rate ranges constitutes the compensation plan as outlined in Appendix A.

The rates of compensation are fixed on the basis of full-time service in approved positions unless otherwise designated.

2. Base Salary Increase

Effective with the first pay period following July 1, 2025, all Association employees will receive a base pay rate adjustment of 3%.

3. Merit Pay

Based upon the performance review rating received in June 2025, employees are eligible for the following additional merit-based one-time merit bonus or “Superior Performance Pay” combined with the base pay rate increase effective with the first pay period following July 1, 2025:

- A. Employees who receive an “Exceeds Standard” rating as part of their annual performance review are eligible to receive a one-time lump sum bonus of 1% of their annual base pay rate.
- B. Employees who receive an “Exceptional” rating as part of their annual performance review are eligible to receive a one-time lump sum bonus of 2% of their annual base pay rate.

Employees understand that the merit pay under this system will be reported to California Public Employees Retirement System (CalPERS) as employee compensation to the fullest extent as permitted under the Public Employment Retirement Law and implementing regulations. However, the City makes no representations or guarantees whatsoever with respect to whether CalPERS will include the Superior Performance Pay as compensation for purposes of retirement benefit determination as CalPERS will make the sole determination as to any such inclusion.

Article 2.02 Standby Pay

An emergency response stand-by pay provision is in effect that applies to maintenance staff as follows:

1. General Policy.

“Stand-by Duty” means being available to provide after-hours emergency services in accordance with this Policy. When an employee is required to be available for Stand-by Duty, the employee must leave a contact phone number where he/she may be reached for after-hours emergency response services. Such time is not considered hours worked under applicable state or federal wage and hour laws. Stand-by Duty pay is a set stipend that applies solely to time outside of normal hours of employment and is therefore not reportable to CalPERS as compensation.

2. Compensation.

An employee on Stand-by Duty will be compensated at a rate of \$25.00 per day or \$35.00 per City-observed holiday day.

3. Requirements.

- A. Employees may be assigned Stand-by Duty for after-hours emergency response services at the discretion of the City Manager, Assistant City Manager, Department Head or direct supervisor.
- B. While on Stand-by Duty, the assigned employee must respond by phone or text within ten (10) minutes to any contact by the City and report fit-for-duty within sixty (60) minutes following receipt of call-out information. The employee will receive additional compensation for all hours actually worked in response to a call-back in accordance with the Personnel Rules and Regulations, as provided in Article 2.03.
- C. When an employee has stand-by pay authorized, a “Vacation/Leave Request” form must be completed by the employee’s supervisor indicating the special pay. The form must accompany the timecard reflecting the date in which the stand-by pay is earned.

Article 2.03 Call-in Pay

The City will compensate full-time hourly employees a minimum of four (4) hours pay for unscheduled “call-in” work, and dependent upon regular work schedule, the employee could receive overtime compensation. Call-in Pay may be provided in addition to standby pay in accordance with Article 2.02.

Article 2.04 Employee Group Insurance Program

The City maintains a medical, dental, vision and life insurance program for full-time employees.

1. Medical.

The City is contracted with CalPERS for medical insurance coverage in accordance with the Public Employees’ Medical and Hospital Care Act (PEMHCA). The City contributes

the PEMHCA statutory minimum to CalPERS directly on behalf of each participant in the program.

In addition, the City maintains a cafeteria plan in accordance with Internal Revenue Code Section 125 for all active full-time employees. The following health care benefits are offered through the Cafeteria Plan: Medical, Dental, Vision.

The City pays the entire premium for the employee and 75% of the dependent care premiums for Medical, Dental and Vision under the Section 125 Cafeteria Plan. There is no cash back to employees from any allowances contributed by the City.

The City provides a voluntary Flexible Spending Account for all benefitted employees. The Flexible Spending Account allows eligible City employees to pay for eligible out-of-pocket health care and dependent care expenses on a pre-tax basis, with deductions taken directly from compensation.

2. Employee Assistance Program.

The City provides an Employee Assistance Program (EAP) to all employees and household family members.

3. Life, AD&D, Long Term Disability.

The City makes available to all full-time employees personnel within the Public Service Employees Association a Life, Accidental Death & Dismemberment and Long-Term Disability insurance plan. The City pays the full premium of the plan, which includes the following benefits:

- A. Basic Life and Accidental Death & Dismemberment coverage of two times (2) an employee's annual earnings up to \$200,000.
- B. Long Term Disability 66 2/3% of the first \$15,000 of monthly pre-disability earnings. Maximum monthly benefit \$10,000. A 90-day elimination period is in place (i.e. a waiting period before the benefit becomes payable).

Article 2.04 Retirement

1. Service Retirement.

The City will provide retirement compensation benefits through CalPERS for eligible employees. The City pays the employer portion of the CalPERS contribution, and the employees pay the CalPERS member contribution as determined by statute and CalPERS contract, unless otherwise defined.

2. Classic Members.

- A. Employees who are Classic Members and were hired on or before July 1, 2011 participate in the CalPERS 2% at 55 Miscellaneous Plan.

The City has contracted with CalPERS to provide final compensation as the "single highest year" for eligible "Classic Members."

- B. Employees who are Classic Members and were hired after July 1, 2011 are considered Tier II and participate in the CalPERS 2% at 60 Miscellaneous Plan.

The City has contracted with PERS to provide final compensation as the highest average pensionable compensation earned during thirty-six (36) consecutive months of service for Tier II.

3. New Members.

For all eligible employees who are "New Members" within the meaning of the California Public Employees' Pension Reform Act of 2013, the following apply:

- A. The retirement plan between the City and CalPERS provides for the "2% at 62" retirement formula for all eligible New Members hired on or after January 1, 2013.
- B. For the purpose of determining an employee's retirement benefit, final compensation means the highest average pensionable compensation earned during thirty-six (36) consecutive months of service.
- C. Each active "New Member" pays half of the total cost of the retirement benefit, which will fluctuate from time to time as the amount is determined by CalPERS.

Article 2.05 Social Security

The City does not participate in the Federal Social Security for CalPERS benefitted employees. In the event the City and its employees are required to participate in the Federal Social Security Program, the contribution designated by law to be the responsibility of the employee will be paid in full by the employee and the City will not be obligated to pay or "pick-up" any portion thereof.

Article 2.06 Deferred Compensation

The City makes available to all employees a Deferred Compensation Plan through ICMA-RC. The City does not contribute any amount toward any employee account of such plan.

Article 2.05 Tuition Reimbursement Program

The City will provide a tuition reimbursement program to encourage employees to pursue professional growth and development through accredited academic coursework or professional certifications. All employees who have completed probation are eligible to participate in the program. The course work must be related to work within local government. The maximum amount of reimbursement in a fiscal year may not exceed \$2,000 per employee, subject to the City Manager's approval. The total amount of funds available for the tuition reimbursement program is established each year by the City Council as part of the City's adopted budget.

Article 2.06 Paid Observed Holiday

Employees will be granted one (1) additional paid observed holiday in FY 2025-26 in recognition of the City's closure of City Hall on December 26 and January 2, depending on the staff schedule. This additional paid observed holiday will be available for use by each employee in the same manner as other paid observed holidays. This benefit is limited to the observed closure date(s) and does not extend beyond such dates.

ARTICLE 3 - OTHER PROVISIONS

Article 3.01 Provision of Uniforms

Upon initial hire of any maintenance staff, the City will pay for the initial provision of twelve (12) City branded t-shirts, to be replaced on an as-needed basis from there on.

Full-time Maintenance employees will receive reimbursement of up to \$300 per year for up to two (2) pairs of safety footwear, as determined and approved by the City at no employee expense. At least one pair of safety footwear purchased each year should be water-resistant footwear with steel-toed protective cover. Other eligible purchases may be work boots, boot dressings, laces, boot guards, and related items. Maintenance employees must wear safety footwear that always meets City specifications while operationally necessary to complete job functions.

The safety footwear reimbursement will not be reported to CalPERS as special compensation. Purchasing may be completed by the Maintenance Superintendent or individually by the Maintenance employee.

Article 3.02 Maintenance of Existing Benefits

Except as otherwise provided in this MOU, all wages and hours, and other terms and conditions of employment presently enjoyed by affected employees will remain in full force and effect during the entire term of this MOU unless mutually agreed to by both parties.

Article 3.03 Complete Agreement

This MOU constitutes the entire Agreement between the parties with respect to the subjects included and no oral statement may add to or supersede any of its provisions.

APPENDIX A

Effective July 1, 2025

CLASSIFICATION	AUTHORIZED POSITION	HOURLY PAY RANGE
Accountant	0	\$34.59- \$51.88
Account Clerk II	1	\$28.97 - \$43.47
Administration Aide	1	\$26.42 - \$38.21
Administrative Assistant	0	\$28.33 - \$41.54
Assistant Planner	1	\$31.51 - \$47.62
Maintenance Worker	3	\$27.06 - \$40.63
Lead Maintenance Worker	1	\$30.22 - \$44.61
Part-time Office Assistant	2	\$27.04- \$32.94

RECOMMENDATION FOR APPROVAL TO COUNCIL

Subject to the foregoing, this MOU is hereby agreed to be recommended for approval by the authorized representative of the City and the Association.

DATE: _____

Classified Employee Representative

City Representative

Classified Employee Representative