

RESOLUTION NO. 8301

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, PROVIDING FOR THE TERMS AND CONDITIONS OF EMPLOYMENT OF THOSE EMPLOYEES REPRESENTED BY THE HAWTHORNE EXECUTIVE GROUP (“HEG”), ACCORDING TO THE PROVISIONS OF THE HAWTHORNE MUNICIPAL CODE (“HMC”) AND AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE HEG MEMORANDUM OF UNDERSTANDING (“MOU”)

WHEREAS, the City of Hawthorne and Hawthorne Executive Group (“HEG”) after meeting and conferring on the terms and conditions of employment for the members of the HEG have reached an agreement on said terms and conditions of employment; and

WHEREAS, the changes in terms and conditions of 2021 – 2024 MOU between the City of Hawthorne and HEG have been ratified by HEG.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA, hereby resolves as follows:

**SECTION 1.** The foregoing recitals in this Resolution are true and correct.

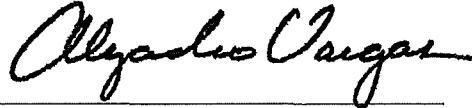
**SECTION 2.** The changes in terms and conditions to be included in the 2021-2024 MOU between HEG and the City of Hawthorne are attached hereto as Exhibit “A” and are incorporated herein by reference and are hereby approved by the City of Hawthorne.

**SECTION 3.** The Interim City Manager is authorized to execute the 2021-2024 HEG MOU after the following have occurred: 1) the approved terms and conditions have been incorporated into the 2021-2024 HEG MOU; and 2) the attorneys for the City, the HEG, and the HEG President have executed the 2021-2024 MOU. The terms and conditions shall not be implemented until all parties have executed the 2021-2024 HEG MOU.

**SECTION 4.** That the City Clerk shall certify to the adoption of this Resolution and  
Resolution No. 8301

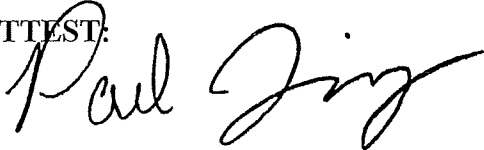
shall cause this Resolution and this certification to be entered in the Book of Resolutions of the Council of the City.

**PASSED, APPROVED and ADOPTED** this 28 th day of September 2021.

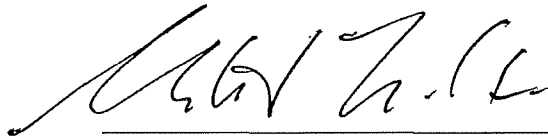


Alex Vargas, Mayor  
City of Hawthorne, California

ATTEST:



Dr. Paul Jimenez, City Clerk  
City of Hawthorne, California



ROBERT M. KIM,  
Interim City Attorney  
City of Hawthorne, California

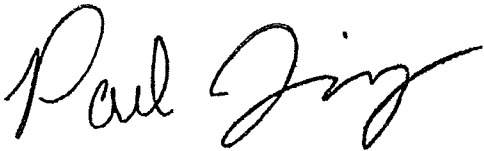
RESOLUTION CERTIFICATION PAGE

STATE OF CALIFORNIA        )  
COUNTY OF LOS ANGELES    )     SS  
CITY OF HAWTHORNE         )

I, Paul Jimenez, City Clerk of the City of Hawthorne, California, hereby certify that the whole number of Members of the City Council of said City is five; that Resolution No. 8301 was adopted by the City Council at their Regular Meeting held on September 28, 2021 by the following vote:

Ayes:            Council Members:   Monteiro, Patterson, Reyes English, Valentine, and Mayor Vargas  
Noes:            Council Members:  
Absent:          Council Members:  
Abstain:         Council Members:

Witness my hand and the seal of said City on September 30, 2021.



\_\_\_\_\_  
Dr. Paul Jimenez, City Clerk  
City of Hawthorne, California



**MEMORANDUM OF UNDERSTANDING**

BETWEEN

**THE CITY OF HAWTHORNE**

AND THE

**HAWTHORNE EXECUTIVE GROUP**

EFFECTIVE

**JULY 1, 2021 through JUNE 30, 2024**

## **ARTICLE 1 - INTRODUCTION**

It is the understanding of the undersigned representatives of the Hawthorne Executive Group and the representatives of the City of Hawthorne that:

This Memorandum of Understanding (MOU) incorporates any previous Memoranda of Understanding governing wages, hours, terms and conditions of employment for the employees described in this bargaining unit. The wages, hours and terms and conditions of employment as contained in this agreement shall be recommended to the Hawthorne City Council and, subject to City Council approval, shall be implemented by the appropriate ordinance, resolution or other official action. Unless otherwise indicated, all provisions of this MOU are to be effective July 1, 2021.

## **ARTICLE 2 - RECOGNITION**

The City of Hawthorne recognizes the Hawthorne Executive Group as the sole and exclusive bargaining agent for the purposes of establishing salaries, wages, hours, and other conditions of employment for those employees assigned to classifications included in this MOU.

## **ARTICLE 3 - NO DISCRIMINATION, NO HARASSMENT**

Both parties to this MOU agree not to discriminate against any employee or applicant because of age, sex, race, national origin, religion, color, ancestry, marital status, sexual orientation, physical or mental disability, medical condition, and/or union membership and activity or any other protected classification. Additionally, the City expects and requires all employees to treat one another with dignity and respect. Harassment of fellow employees is a violation of law. No employment decision may be made based upon an employee's submission to or rejection of such conduct. Any employee who believes that they are the victim of such harassment, whether sexual, racial, ethnic or religious, is required to immediately report the conduct to the City Manager, or designee. Any employee who engages in such conduct is subject to disciplinary action, including immediate discharge.

**ARTICLE 4 - COMPENSATION**

**Section 4.1 – Monthly Salary Schedules**

A. Following adoption of this MOU by the Hawthorne City Council, the following Salary Schedule (Exhibit A) shall take effect August 14, 2021. This Schedule reflects a five percent (5%) salary increase over the previous Salary Schedule effective July 1, 2016.

**EXHIBIT A**

Range	A	B	C	D	E	F	G	H	I	J
1	5,741	5,969	6,210	6,462	6,724	7,060	7,272	7,491	7,715	7,946
3	5,842	6,074	6,320	6,578	6,843	7,185	7,400	7,622	7,851	8,086
5	6,535	6,802	7,084	7,373	7,678	8,062	8,303	8,552	8,808	9,073
7	6,652	6,924	7,212	7,509	7,818	8,209	8,456	8,710	8,971	9,240
9	6,886	7,167	7,457	7,765	8,085	8,489	8,744	9,007	9,277	9,555
11	7,010	7,298	7,592	7,907	8,233	8,645	8,904	9,171	9,446	9,729
13	7,716	8,028	8,362	8,708	9,070	9,524	9,809	10,103	10,407	10,718
15	7,855	8,177	8,516	8,869	9,236	9,698	9,989	10,288	10,597	10,915
17	8,110	8,444	8,794	9,158	9,539	10,016	10,316	10,626	10,945	11,274
19	8,259	8,598	8,957	9,329	9,715	10,201	10,506	10,821	11,146	11,480
21	8,440	8,793	9,156	9,535	9,935	10,432	10,745	11,067	11,399	11,741
23	8,597	8,953	9,323	9,714	10,120	10,626	10,945	11,274	11,612	11,961
25	8,619	8,973	9,344	9,728	10,156	10,663	10,983	11,313	11,652	12,002
27	8,778	9,141	9,517	9,908	10,345	10,862	11,188	11,524	11,869	12,225
29	8,795	9,158	9,540	9,939	10,360	10,878	11,205	11,541	11,887	12,244
31	8,958	9,329	9,717	10,126	10,551	11,080	11,412	11,755	12,108	12,471
33	8,974	9,350	9,744	10,149	10,578	11,107	11,440	11,783	12,137	12,501

35	9,142	9,525	9,925	10,338	10,775	11,314	11,653	12,003	12,363	12,733
37	9,158	9,539	9,935	10,358	10,794	11,334	11,674	12,025	12,386	12,758
39	9,329	9,715	10,120	10,550	10,995	11,545	11,891	12,248	12,616	12,994
41	9,350	9,744	10,149	10,578	11,023	11,574	11,922	12,280	12,648	13,027
43	9,525	9,925	10,338	10,775	11,230	11,792	12,145	12,510	12,885	13,271
45	9,539	9,935	10,358	10,794	11,247	11,809	12,163	12,529	12,905	13,292
47	9,715	10,120	10,550	10,995	11,458	12,031	12,392	12,764	13,147	13,542
49	9,898	10,361	10,801	11,256	11,731	12,317	12,686	13,066	13,458	13,862
51	10,082	10,557	11,003	11,466	11,953	12,551	12,928	13,315	13,714	14,126
53	10,369	10,797	11,261	11,737	12,236	12,848	13,233	13,630	14,039	14,460
55	10,562	11,002	11,473	11,960	12,469	13,092	13,485	13,889	14,306	14,736
57	10,929	11,389	11,927	12,376	12,903	13,549	13,956	14,375	14,806	15,250
59	11,133	11,605	12,151	12,611	13,145	13,802	14,216	14,642	15,081	15,534
61	11,554	12,044	12,556	13,091	13,650	14,333	14,763	15,206	15,662	16,131
63	11,758	12,257	12,779	13,325	13,895	14,590	15,028	15,478	15,942	16,420
65	12,217	12,735	13,276	13,847	14,439	15,161	15,616	16,084	16,567	17,064
67	12,445	12,977	13,530	14,111	14,713	15,449	15,912	16,389	16,881	17,387
69	12,917	13,469	14,044	14,645	15,276	16,041	16,522	17,017	17,528	18,054



B. The following Salary Schedule (Exhibit B) shall take effect July 1, 2022. This Schedule reflects a five percent (5%) salary increase over the previous Salary Schedule effective August 14, 2021.

**EXHIBIT B**

Range	A	B	C	D	E	F	G	H	I	J
1	6,028	6,268	6,520	6,785	7,060	7,413	7,636	7,865	8,101	8,344
3	6,134	6,378	6,636	6,907	7,185	7,544	7,770	8,003	8,243	8,490
5	6,862	7,142	7,439	7,742	8,061	8,465	8,719	8,980	9,249	9,527
7	6,984	7,270	7,573	7,884	8,209	8,619	8,878	9,145	9,420	9,702
9	7,230	7,526	7,830	8,153	8,489	8,914	9,182	9,457	9,741	10,033
11	7,360	7,662	7,971	8,302	8,645	9,077	9,349	9,629	9,918	10,216
13	8,102	8,430	8,780	9,143	9,523	10,000	10,300	10,608	10,927	11,254
15	8,248	8,586	8,941	9,313	9,698	10,183	10,488	10,802	11,126	11,460
17	8,516	8,866	9,233	9,616	10,016	10,517	10,832	11,157	11,492	11,838
19	8,672	9,028	9,404	9,796	10,200	10,711	11,032	11,362	11,703	12,054
21	8,862	9,232	9,614	10,012	10,432	10,953	11,282	11,620	11,969	12,328
23	9,027	9,401	9,789	10,199	10,626	11,157	11,492	11,838	12,193	12,559
25	9,050	9,422	9,811	10,215	10,663	11,196	11,532	11,878	12,234	12,602
27	9,217	9,598	9,993	10,403	10,862	11,405	11,747	12,100	12,463	12,836
29	9,235	9,616	10,017	10,436	10,878	11,422	11,765	12,118	12,481	12,856
31	9,405	9,796	10,203	10,633	11,079	11,634	11,983	12,342	12,713	13,094
33	9,423	9,818	10,231	10,657	11,107	11,662	12,012	12,372	12,744	13,126
35	9,599	10,001	10,421	10,855	11,314	11,879	12,236	12,603	12,981	13,370
37	9,616	10,016	10,432	10,876	11,334	11,900	12,258	12,626	13,005	13,395

39	9,796	10,200	10,626	11,078	11,544	12,122	12,486	12,861	13,247	13,643
41	9,818	10,231	10,657	11,107	11,574	12,153	12,518	12,894	13,281	13,679
43	10,001	10,421	10,855	11,314	11,791	12,381	12,753	13,135	13,529	13,934
45	10,016	10,432	10,876	11,334	11,809	12,400	12,771	13,155	13,550	13,957
47	10,200	10,626	11,078	11,544	12,030	12,632	13,012	13,402	13,804	14,219
49	10,393	10,879	11,341	11,819	12,317	12,932	13,320	13,720	14,131	14,555
51	10,586	11,085	11,553	12,039	12,551	13,178	13,574	13,981	14,400	14,832
53	10,887	11,337	11,824	12,324	12,847	13,490	13,895	14,312	14,740	15,183
55	11,090	11,552	12,047	12,557	13,092	13,747	14,159	14,584	15,022	15,472
57	11,476	11,959	12,523	12,995	13,549	14,227	14,653	15,093	15,546	16,013
59	11,690	12,185	12,758	13,241	13,802	14,492	14,927	15,374	15,835	16,310
61	12,132	12,646	13,184	13,746	14,333	15,049	15,501	15,966	16,445	16,938
63	12,346	12,869	13,417	13,991	14,589	15,319	15,779	16,252	16,739	17,241
65	12,828	13,372	13,940	14,540	15,160	15,919	16,396	16,888	17,395	17,917
67	13,067	13,626	14,207	14,816	15,448	16,221	16,707	17,209	17,725	18,256
69	13,563	14,143	14,746	15,378	16,040	16,843	17,348	17,868	18,404	18,956

C. The following Salary Schedule (Exhibit C) shall take effect July 1, 2023. This Schedule reflects a two percent (2%) salary increase over the previous Salary Schedule effective July 1, 2022.

**EXHIBIT C**

Range	A	B	C	D	E	F	G	H	I	J
1	6,149	6,393	6,651	6,920	7,202	7,561	7,789	8,023	8,263	8,511
3	6,257	6,506	6,769	7,045	7,329	7,695	7,926	8,163	8,408	8,660
5	6,999	7,285	7,587	7,897	8,223	8,634	8,893	9,159	9,434	9,717
7	7,124	7,415	7,725	8,042	8,373	8,792	9,056	9,328	9,608	9,896
9	7,375	7,676	7,987	8,316	8,659	9,092	9,365	9,646	9,935	10,233
11	7,507	7,816	8,130	8,468	8,818	9,258	9,536	9,822	10,116	10,420
13	8,264	8,598	8,956	9,326	9,714	10,200	10,506	10,820	11,145	11,479
15	8,413	8,758	9,120	9,499	9,892	10,386	10,698	11,018	11,349	11,690
17	8,686	9,044	9,418	9,808	10,217	10,727	11,049	11,380	11,722	12,074
19	8,846	9,209	9,592	9,992	10,404	10,925	11,252	11,590	11,937	12,295
21	9,039	9,417	9,806	10,212	10,640	11,172	11,508	11,853	12,208	12,575
23	9,208	9,589	9,985	10,403	10,838	11,380	11,722	12,074	12,436	12,810
25	9,231	9,610	10,007	10,419	10,877	11,420	11,763	12,116	12,479	12,854
27	9,401	9,790	10,193	10,611	11,079	11,633	11,982	12,342	12,712	13,093
29	9,419	9,808	10,218	10,645	11,096	11,650	12,000	12,360	12,731	13,113
31	9,594	9,992	10,407	10,845	11,301	11,866	12,223	12,589	12,967	13,356
33	9,612	10,014	10,436	10,870	11,329	11,895	12,252	12,620	12,999	13,389
35	9,791	10,201	10,629	11,072	11,540	12,117	12,480	12,855	13,240	13,637
37	9,808	10,217	10,640	11,094	11,560	12,138	12,503	12,878	13,265	13,663
39	9,992	10,404	10,838	11,299	11,775	12,364	12,736	13,118	13,511	13,916
41	10,014	10,436	10,870	11,329	11,806	12,396	12,768	13,152	13,546	13,952
43	10,201	10,629	11,072	11,540	12,027	12,629	13,008	13,398	13,799	14,213
45	10,217	10,640	11,094	11,560	12,045	12,648	13,027	13,418	13,821	14,236
47	10,404	10,838	11,299	11,775	12,271	12,885	13,272	13,670	14,080	14,503
49	10,601	11,097	11,568	12,055	12,563	13,191	13,587	13,994	14,413	14,846
51	10,798	11,306	11,784	12,280	12,802	13,442	13,845	14,260	14,688	15,129
53	11,105	11,564	12,061	12,570	13,104	13,760	14,173	14,598	15,035	15,486
55	11,312	11,783	12,288	12,809	13,354	14,022	14,443	14,876	15,322	15,782
57	11,705	12,198	12,774	13,255	13,820	14,511	14,946	15,395	15,857	16,333
59	11,924	12,429	13,013	13,506	14,078	14,782	15,225	15,682	16,152	16,637
61	12,375	12,899	13,447	14,021	14,619	15,350	15,811	16,286	16,774	17,276
63	12,593	13,127	13,686	14,271	14,881	15,626	16,095	16,577	17,074	17,586
65	13,084	13,640	14,219	14,831	15,464	16,237	16,724	17,226	17,743	18,275
67	13,328	13,898	14,491	15,113	15,757	16,546	17,041	17,553	18,079	18,621
69	13,834	14,426	15,041	15,685	16,361	17,180	17,695	18,226	18,772	19,336

D. The City Manager may, upon the approval of the City Council, during the term of this agreement, increase the salaries of those positions deemed to be negatively impacted due to compaction and/or by internal or external comparisons. The City Manager shall meet and discuss any such increases with representatives of the Hawthorne Executive Group prior to their effective dates.

**Section 4.2 - Classifications**

Salary ranges are assigned as follows:

<i>Classification</i>	<i>Salary Range</i>
Airport Manager	11
Assistant City Attorney	35
Assistant Director of Recreation & Community Services	19
Deputy City Attorney	19
Director of Community Services	35
Director of Building & Safety/Plan Check Engineer	35
Director of Finance (Licensing, Accounts Payable & Receivable)	25
Director of Finance (Payroll, General Ledger & Grants)	35
Director of Housing/CDBG	35
Director of Parks and Recreation	35
Director of Planning & Community Development	35
Director of Public Works/City Engineer (Engineering & Airport)	35
Director of Recreation & Community Services	25
Finance Manager	19
Housing Manager	19
Human Resources Manager	19
Information Systems Manager	19
Public Works Manager (Maintenance, Fleet & Grants)	19
Senior Assistant City Attorney	43
Senior Deputy City Clerk	11

### **Section 4.3 - Initial Salary**

The initial compensation to be paid any employee covered under this MOU shall be Step "A," except that the City Manager may recruit and appoint personnel at a higher Step.

### **Section 4.4 - Salary Increases**

- A. Employees covered in classifications represented by this MOU, shall receive the following pay increases based on the adjustments to the Salary Schedules as follows:
1. Effective the pay period starting August 14, 2021, a five percent (5%) across the board pay increase.
  2. Effective the pay period starting July 1, 2022, a five percent (5%) across the board pay increase.
  3. Effective the pay period starting July 1, 2023, a two percent (2%) across the board pay increase.

### **Section 4.5 - Hero Pay**

The City agrees to provide a one-time lump sum payment in the amount of two thousand dollars (\$2,000) for those employees who were actively employed with the City from March 4, 2020 (date the California Governor issued a State of Emergency to prepare for the COVID pandemic) through the date of City Council adoption of this MOU. This one-time lump sum payment will be made within two pay periods from the date of City Council adoption of the MOU. This payment is unconnected to performance and shall not be reflected on any City pay or salary schedule and shall not be reported as compensation earnable.

### **Section 4.6 - Advance in Salary (Step Advancement)**

- A. Base Salary Steps – A thru E

Advancement through the base salary steps shall occur after an employee has been receiving compensation at a particular step for twelve (12) months. Each employee shall automatically move to the next higher step after completing twelve months unless action is taken by the City Council or the City Manager to disapprove the increase, or unless the employee's performance is substandard. For example, all employees in step letter "A" advance to step letter "B" only after receiving compensation at step letter "A" for twelve (12) months.

B. Step F

An employee shall advance from step "E" to step "F" upon satisfactory completion of twelve (12) months of service with the City at step "E". Step "F" shall be 5% higher than step "E".

C. Additional Steps - G, H, I, J

An employee shall advance from Step "F" to Step "G" upon satisfactory completion of twelve (12) months of service with the City at Step "F." Step "G" shall be two and one-half percent (2.5%) higher than Step "F."

An employee shall advance from Step "G" to Step "H" upon satisfactory completion of twelve (12) months of service with the City at Step "G." Step "H" shall be two and one-half percent (2.5%) higher than Step "G."

An employee shall advance from Step "H" to Step "I" upon satisfactory completion of twelve (12) months of service with the City at Step "H." Step "I" shall be two and one-half percent (2.5%) higher than step "H."

An employee shall advance from Step "I" to Step "J" upon satisfactory completion of twelve (12) months of service with the City at Step "I." Step "J" shall be two and one-half percent (2.5%) higher than Step "I."

Effective June 30, 2014, an employee may advance to either step G, H, I, or J under the following conditions:

An employee shall advance from Step "F" to Step "G" upon satisfactory completion of twelve (12) months of service with the City at Step "F." Step "G" shall be three percent (3%) higher than step "F."

An employee shall advance from step "G" to step "H" upon satisfactory completion of twelve (12) months of service with the City at step "G". Step "H" shall be three percent (3%) higher than step "G."

An employee shall advance from Step "H" to Step "I" upon satisfactory completion of twelve (12) months of service with the City at Step "H." Step "I" shall be three percent (3%) higher than Step "H."

An employee shall advance from Step "I" to Step "J" upon satisfactory completion of twelve (12) months of service with the City at Step "I." Step "J" shall be three percent (3%) higher than Step "I."

#### **Section 4.7 - Definition of "Work Week" and "Hourly Rate"**

- A. All employees covered under this MOU shall have a regularly scheduled recurring work week of forty (40) hours, unless the City Council determines otherwise, by motion, resolution, or ordinance.
- B. The hourly pay for all employees covered under this MOU shall be calculated by use of the following formula:

$$\text{Hourly rate of pay} = \frac{\text{Annual Salary}}{2080 \text{ Hours}}$$

#### **Section 4.8 - Date of Employment**

All employees covered under this MOU shall be paid bi-weekly.

All step advancements, promotions, changes of classification and longevity allowances that result in an alteration of pay shall be effective as follows:

- A. If the effective date occurs during the first five days of a pay period, the increase shall be effective for the entire pay period.
- B. If the effective date occurs during the second seven days (days 6 through 12) of a pay period, the increase shall be effective for one week of the pay period.
- C. If the effective date occurs during the last two days (days 13 and 14) of a pay period, the increase shall be effective with the following pay period.

#### **Section 4.9 - Promotions**

Whenever an employee is promoted to a higher classification outlined in this agreement, that employee shall receive the rate of compensation of the first Step of the base pay range for the new classification or the lowest step of the base pay range that provides an increase of at least four and one-half percent (4-1/2%) of the employee's base pay, prior to promotion.

#### **Section 4.10 - Longevity Pay**

- A. Commencing on July 1, 2017, Longevity Pay shall be calculated as follows:
  - 1. Employees who have reached five (5) years of service shall receive three percent (3%) above their base pay as reflected in Section 4.1 above.

2. Employees who have reached ten (10) years of service shall receive four percent (4%) above their base pay as reflected in Section 4.1 above.
  3. Employees who have reached fifteen (15) years of service shall receive five percent (5%) above their base pay as reflected in Section 4.1 above.
  4. Longevity Pay is a special compensation payment in addition to base pay.
- B. The provisions contained in this Section for Longevity Pay shall not be cumulative. For example: Total longevity pay after fifteen (15) years of service is five percent (5%), NOT twelve percent (12%). Longevity Pay shall be in addition to all other compensation and shall be automatic without prior approval by the City Manager.
- C. The foregoing Longevity Pay rates shall be phased in two (2) years, beginning with the 2017-2018 Contract Year, or July 1, 2017, at the rate of fifty percent (50%) of the foregoing Longevity Pay with the remaining amount (fifty percent [50%]) of the applicable Longevity Pay to be provided beginning with the 2018-2019 Contract Year, or July 1, 2016.
- D. A regular full-time employee represented by this MOU who has completed twenty-six (26) years of accumulated service with the City shall receive longevity pay in an amount equal to fifteen percent (15%) of base pay.

#### **Section 4.11 - Educational Pay**

Effective July 1, 2017, the City shall provide educational incentive in accordance with the provisions outlined below:

- A. Upon presentation of the following national or state-recognized license and/or accredited master's degree (accreditation shall be by a national or regional accreditation and from a college or university that is recognized by the Secretary of the United States Department of Education), an employee shall be eligible to receive the following percentages of base pay for each educational achievement increment, effective the beginning of the next payroll period:

Master's degree and/or State License = three percent (3.0%) of base pay

1. An employee receiving educational incentive pay shall be entitled to no more than three percent (3%) for a Master's degree, regardless of the number of Master's degrees received, and no more than three percent (3%) for national or state-recognized licenses, regardless of the number of national or state-recognized licenses received.



2. National or state-recognized licenses or degrees required by the City as minimum qualifications for the position of the employee are not considered as eligible for qualification to receive the Educational Pay contained herein.

## **ARTICLE 5 - INSURANCE BENEFITS**

### **Section 5.1 - Employee Insurance**

The City shall continue to make the following insurance plans available to all regular full-time employees.

- A. Each regular full-time employee covered by this MOU shall be entitled to enroll in the insurance plans as follows:
  1. Enrollment in a medical insurance plan (required\*). Effective the pay period starting September 25, 2021, the City shall pay the premium amount equal to "Employee +1 Dependent" coverage level for the plan in which the employee is enrolled. Employees enrolled in the "Employee +2+ Dependents" coverage level shall be responsible for paying the balance of the monthly premium amount after the "Employee +1 Dependent" premium amount has been subtracted.

Employees who elect not to enroll in a medical plan offered by the City will be eligible to receive an "in lieu of" amount of eight hundred dollars (\$800) per month for opting out of coverage. In order to receive the eight hundred dollar (\$800) per month amount, an employee must provide the following: (1) proof that the employee and all individuals for whom the employee intends to claim a personal exemption deduction for the taxable year or years that begin or end in or with the City's plan year to which the opt out applies ("tax family"), have or will have minimum essential coverage through another source (other than coverage in the individual market, whether or not obtained through Covered California) for the plan year to which the opt out arrangement applies ("opt out period"); and (2) the employee must sign an attestation that the employee and his/her tax family have or will have such minimum essential coverage for the opt out period. An employee must provide the attestation every plan year at open enrollment or within thirty (30) days after the start of the plan year. The opt-out payment cannot be made, and the City will not in fact make payment if the employer knows that the employee or tax family member doesn't have such alternative coverage, or if the conditions in this paragraph are not otherwise satisfied.

2. City shall pay such premiums to enroll and cover Hawthorne Executive Group employees in the following plans of insurance:

Basic Life & Accidental Death & Dismemberment (AD&D) Insurance at fifty thousand dollars (\$50,000) coverage level per employee.

3. Enrollment in an Employee Assistance Program – Managed Health Network (MHN) (required).
  4. Enrollment in a Long-Term Disability Insurance Plan (LTD) (required).
  5. Enrollment in a Dental Insurance Plan (optional).
  6. Enrollment in Additional Life Insurance Plan (optional).
  7. Vision Coverage (optional) – Effective the pay period starting September 25, 2021, the City shall contribute the monthly premium amount for “Employee +Family” coverage.
- B. The City shall continue to make available a Flexible Spending Account Plan pursuant to the provisions of Sections 125 and 129 of the Internal Revenue Code which allows employees to allocate a designated portion of their salaries to a Flexible Spending Account used to pay (1) health and dental premiums, (2) medical expenses not paid by a health insurance carrier and/or (3) child or dependent care expenses. Any amounts so allocated but not expended for those purposes shall be forfeited by the employee. Participation in this benefit is optional.

## **Section 5.2 - Retiree Medical Insurance**

- A. Those regular full-time employees who have retired from a classification covered by this MOU and who are receiving retirement benefits from CalPERS, shall be entitled to maintain enrollment in the City's health plan, as per the established guidelines and rules of CalPERS.

This benefit shall begin upon the employee's retirement from the City of Hawthorne and continue until the employee becomes ineligible for coverage under the City's CalPERS Health Benefits Plan.

For each such employee, the City shall pay an amount equal to employee only coverage for the plan in which the employee is enrolled, less any administrative fees required by the plan. If the employee is not enrolled in a health plan at the time of retirement, he/she shall not be eligible for this benefit.

- B. A retiree may, at the retiree's own and sole expense, enroll his/her spouse and/or qualified dependents in any of the medical plans provided under CalPERS.

**ARTICLE 6 - BENEFITS RELATED TO TIME**

**Section 6.1 - Fixed Holidays**

All regular full-time employees shall be entitled to nine (9) hours of paid leave for those holidays that are observed Monday through Thursday and eight (8) hours for holidays that are observed on Fridays.

The City recognizes the holidays listed on the fixed holiday schedule below. City Hall employees represented by this MOU follow the holiday schedule that coincides with when the holiday falls on an off Friday, the holiday is observed on the Thursday before (or the Wednesday before if holidays fall on a consecutive Thursday and Friday and the Friday is an off day). Any holiday that falls on a Saturday or Sunday will be observed on the following Monday. In the event two holidays fall on a consecutive Saturday and Sunday, the Saturday holiday will be recognized in the previous week under the guidelines described in this Section. Starting in calendar year 2021, the City shall publish and issue in the month of October of the preceding year, the annual Holiday Schedule for City Hall employees.

A. For the period of July 1, 2021 – December 31, 2021, the following days shall be considered fixed holidays.

Independence Day	Sunday, July 4, 2021
Labor Day	Monday, September 6, 2021
Veteran's Day	Thursday, November 11, 2021
Thanksgiving Day	Thursday, November 25, 2021
Day after Thanksgiving	Friday, November 26, 2021
Christmas Eve	Friday December 24, 2021
Christmas Day	Saturday, December 25, 2021

B. For the period of January 1, 2022 – December 31, 2022, the following days shall be considered fixed holidays: Starting in the 2022 calendar year, employees covered by this MOU shall be eligible to receive the Juneteenth Holiday.

New Year's Day	Saturday, January 1, 2022
Martin Luther King Day	Monday, January 17, 2022
President's Day	Monday, February 21, 2022
Cesar Chavez Day	Thursday, March 31, 2022
Memorial Day	Monday, May 30, 2022
Juneteenth	Sunday, June 19, 2022
Independence Day	Monday, July 4, 2022
Labor Day	Monday, September 5, 2022

Veteran's Day	Friday, November 11, 2022
Thanksgiving Day	Thursday, November 24, 2022
Day after Thanksgiving	Friday, November 25, 2022
Christmas Eve	Saturday, December 24, 2022
Christmas Day	Sunday, December 25, 2022

C. For the period of January 1, 2023 – December 31, 2023, the following days shall be considered fixed holidays.

New Year's Day	Sunday, January 1, 2023
Martin Luther King Day	Monday, January 16, 2023
President's Day	Monday, February 20, 2023
Cesar Chavez Day	Friday, March 31, 2023
Memorial Day	Monday, May 29, 2023
Juneteenth	Monday, June 19, 2023
Independence Day	Tuesday, July 4, 2023
Labor Day	Monday, September 4, 2023
Veteran's Day	Saturday, November 11, 2023
Thanksgiving Day	Thursday, November 23, 2023
Day after Thanksgiving	Friday, November 24, 2023
Christmas Eve	Sunday, December 24, 2023
Christmas Day	Monday, December 25, 2023

D. For the period of January 1, 2024 – June 30, 2024, the following days shall be considered fixed holidays:

New Year's Day	Monday, January 1, 2024
Martin Luther King Day	Monday, January 15, 2024
President's Day	Monday, February 19, 2019
Cesar Chavez Day	Sunday, March 31, 2024
Memorial Day	Monday, May 27, 2024
Juneteenth	Wednesday, June 19, 2024

## **Section 6.2 - Floating Holidays**

Effective September 25, 2021, all regular full-time employees covered by the MOU shall receive an additional ten (10) hours of floating holiday for a total of forty-two (42) hours of personal holidays per year. Upon the commencement of a calendar year in which a holiday falls on an otherwise scheduled closed City Hall Friday, the employee shall be entitled to an additional eight (8) hours of floating holiday time for each day.

All full-time employees covered under this MOU who are hired prior to September 1, in a given year, shall be entitled to forty-two (42) hours of floating holiday time during said year. Any employee hired on or after September 1, but prior to December 1, shall be entitled to twenty-one (21) personal holiday hours during said year.

Floating holiday hours shall be taken as time off with pay; however, a minimum of twenty-one (21) hours must be taken in the calendar year in which earned. Sixteen (16) hours of floating holiday time may be carried over into the next calendar year.

These floating holiday hours shall be taken at a time mutually convenient to the employee's department.

All regular full-time employees covered under this MOU who have completed twenty-six (26) years of accumulated service with the City shall cease to be entitled to floating holiday leave.

## **Section 6.3 - Administrative Leave**

In recognition of the absence of overtime compensation, all regular full-time employees covered under this MOU, shall be entitled to administrative leave time as follows:

- A. Effective September 25, 2021, all regular full-time employees shall receive an additional twenty (20) hours of administrative leave for a total of one hundred (100) hours per calendar year accrued at the rate of 3.85 hours per pay period. Hours accrued shall be on an unlimited basis.
- B. Administrative leave shall not be convertible to cash or deferred compensation. Any accumulated administrative leave shall be forfeited at the time of separation from employment with the City.
- C. Administrative leave time may be taken at any time for any reason, subject to prior approval, which shall not be unreasonably withheld.

## **Section 6.4 - Vacation Leave**

All regular full-time employees covered under this agreement shall be entitled to vacation leave with pay as follows:

- A. All regular full-time employees shall be accrue vacation leave at the rate of 3.08 hours per pay period through the first five (5) years of employment.
- B. At the completion of five (5) years of full-time service, regular full-time employees shall accrue vacation leave at the rate of 5.7 hours per pay period.
- C. At the completion of ten (10) years of full-time service, regular full-time employees shall accrue vacation leave at the rate of 6.7 hours per pay period.
- D. At the completion fifteen (15) years of service, regular full-time employees shall accrue vacation leave at the rate of 7.7 hours per pay period.
- E. All regular full-time employees covered under this MOU who have completed twenty-six (26) years of accumulated service with the City shall accrue vacation leave at 1.24 hours per pay period.
- F. Employees are entitled to carry over forty (40) hours of their vacation time into the year following the year in which it is earned.
- G. Employees covered under this MOU shall arrange their schedule of vacations with their department head or City Manager.
- H. Should discharge or termination take place, employees are entitled to be paid for all accrued unused vacation.

### **Section 6.5 - Sick Leave**

#### **A. Sick Leave Accrual**

All regular full-time employees shall accrue sick leave at the rate of 3.69 hours for each biweekly pay period in which the employee actually worked or was on paid leave status for a minimum of forty (40) hours.

1. Effective September 25, 2021, all regular full-time employees covered under this MOU who have completed twenty-six (26) years of accumulated service with the City shall accrue twenty-seven (27) hours of sick leave per year at the rate of 1.04 hours per biweekly pay period.

#### **B. Sick Leave Usage**

1. Employees may not take paid sick leave before the completion of thirty (30) days of employment from date of hire.

2. An employee eligible for paid sick leave shall be granted such leave for the following reasons:
  - a. Illness or injury that has resulted in the employee's inability to perform normal duties. An employee who is unable to report to work due to illness or injury, shall notify the appropriate party, as soon as reasonably possible, of that fact and give that party a telephone number and/or address at which the employee can be reached. In addition, an employee shall notify the appropriate party of their status at least every other scheduled shift.
  - b. Health and dental appointments during scheduled working hours.
  - c. Disability caused by pregnancy or childbirth.
  - d. Employees may use accrued sick leave for reasons other than personal illness or injury. Such use of sick leave shall be limited to 48 hours.
3. The use of sick leave under this agreement requires the prior approval of the department head or City Manager.
4. Additional paid leave may be granted, under special circumstances, when the employee's presence is necessary during convalescence of a spouse or dependent. Such leave must be approved by the City Manager.

C. Provisions and Payment of Sick Leave are as follows:

1. All regular full-time employees may cash out up to one hundred and twenty (120) hours of sick leave annually. The compensation received for sick leave shall be equal to the employee's current base rate of pay. The form of such compensation shall be at the employee's discretion, either in cash and/or as a contribution to his/her deferred compensation account provided the annual limit is not exceeded.
2. The annual cash out of sick leave shall occur on the first payroll date in December.
3. Voluntary Quit - Personal Leave Payment

Any employee who voluntarily resigns from the City after having completed seven (7) years of such service, shall receive fifty percent (50%) of the value of said employee's accumulated sick leave.

4. Retirement

Upon actual retirement from the City, those employees covered under this agreement shall receive 100% payoff of unused sick leave.

## **Section 6.6 - Paid Injury On Duty Leave**

Effective September 25, 2021, any regular full-time employee covered under this agreement who is involved in a work-related illness or injury resulting in absenteeism, shall receive full pay for the first ten (10) work days without loss of accumulated sick leave or sick leave accrual.

## **ARTICLE 7 - ACTING PAY**

Employees who temporarily fill a vacancy in the absence of a Department Head or City Manager, shall receive "acting pay" equal to an additional five percent (5%) of base pay, beginning with the first day of the vacancy and with approval of the City Manager. Acting pay shall be provided for no more than three (3) months in any fiscal year (July 1- June 30<sup>th</sup>). A vacancy includes retirement, resignation, or termination of a budgeted and filled position. An absence includes unavailability due to illness, vacation, or other approved leave.

To the extent as provided by CalPERS regulations, employee out of class appointments to an upgraded position or acting in a higher classification to a vacant position shall be limited to nine hundred and sixty (960) hours per fiscal year (July 1 to June 30). A vacant position per this provision excludes a position that is temporarily unavailable due to another employee's leave of absence.

## **ARTICLE 8 - BEREAVEMENT LEAVE**

In the event of death of a member of the immediate family, defined as spouse, child, step-child, mother, mother-in-law, stepmother, father, father-in-law, stepfather, grandparent, sister, brother, or registered domestic partner with the State of California. A regular full-time employee may be absent for the purpose of arranging for and attending the funeral for three (3) consecutive working days without loss of pay, and not charged to sick leave.

If the circumstances require the employee to travel in excess of five hundred (500) miles, one way, to arrange for and attend said funeral, two (2) additional days without loss of pay or charged to sick leave shall be granted.



## **ARTICLE 9 - SPECIAL PAY PROVISIONS**

### **Section 9.1 - Educational Reimbursement**

It shall be the policy of the City to encourage all employees to improve their skills, ability and knowledge through enrollment in courses in outside educational institutions. Accordingly, all employees covered under this MOU shall be eligible for 100% reimbursement of the cost of tuition, fees and books incurred in outside vocational or academic courses of instruction, subject to the following conditions:

- A. The reimbursement request shall be submitted and approved by the City Manager prior to enrollment.
- B. A minimum semester/quarter grade of:
  - 1. "C" on an A,B,C,D, & F scale, or
  - 2. 70% on a 100% scale; or
  - 3. 2.0 on a 4.0 scale; or
  - 4. Pass on a pass/fail scale; or
  - 5. Equivalent to one of the above.
- C. Receipts for reimbursable items must be submitted.
- D. This program is designed to reimburse employees for school expenses which are not funded or partially funded from other external sources, including but not limited to G.I. educational benefits. Thus, the City shall not reimburse expenses which, in its sole judgment, are adequately provided for through other benefits available to the employee.

### **Section 9.2 - Auto Allowance**

With prior approval of the City Council or the City Manager, an employee may receive that amount of reimbursement per mile for the use of the employee's private automobile for City business in an amount determined by the IRS reimbursement rate then in effect.

### **Section 9.3 - Merit Raises**

In addition to base pay, a merit raise of four percent (4%) may be granted by the City Manager, subject to veto by the City Council, to any employee who has rendered exceptional work performance to the City.

## **ARTICLE 10 - DEFERRED COMPENSATION**

The City will contribute two hundred and fifty dollars (\$250) per month toward an employee's 457(b) deferred compensation plan account. In addition, the City will match an employee's contribution to deferred compensation up to fifty dollars (\$50) per month.

## **ARTICLE 11 - CalPERS**

### **Section 11.1 - CalPERS Pick-Up**

Effective September 1, 2011, the City shall pay to CalPERS an amount equal to eight (8%) of the normal contribution as Employer Paid Member Contribution (EPMC) and reporting the same percent (value) of compensation earnable as additional compensation for employees who are "Classic Members" of CalPERS. Pursuant to the provisions under 414(h)(2) of the Internal Revenue Code the eight percent (8%) contribution will be paid on a pre-tax basis.

### **Section 11.2 - Retirement Formulas**

For its "miscellaneous" employees, the City shall continue to provide the 3% @ age 60 retirement formula.

1. Classic Members
  - A. One-year highest compensation (Section 20024.2).
  - B. Military service credited as public service (Section 20930.3).
  - C. 1959 Survivors Benefit (Section 21382.4).
  - D. Post retirement survivor allowance to continue after remarriage (Section 21266).
  - E. Pre-retirement death benefit (Section 21365.6).
  - F. 3% @ age 60 retirement formula (Section 21354).

### **Section 11.3 - Optional CalPERS Contract Amendment**

1. New Members (PEPRA)
  - A. Retirement benefit based on average of three (3) highest years of compensation with the City.
  - B. Employees hired on or after January 1, 2013, concede to 2% @ age 62 retirement formula.

- C. Employer Paid Member Contribution (EPMC) shall be paid by employee.
- D. The term "New Members" shall have the same meaning as that term is defined by and in the Public Employees' Pension Reform Act. (PEPRA).

## **ARTICLE 12 - CONTINUATION OF BENEFITS**

Benefits not necessarily specifically enumerated herein which have previously been provided by the City shall continue unless amended or deleted herein. This provision includes, but is not limited to: Bereavement Leave, Bilingual Pay, Sick Leave, Holidays, Group Insurance, Educational Reimbursement, Training and Professional Development, Longevity Pay, Retirement System, and Auto provided allowance.

## **ARTICLE 13 - MEDICAL EXAMINATIONS**

The City Manager shall establish procedures by which the City shall provide all full-time employees covered under this MOU a complete medical examination once during each calendar year.

## **ARTICLE 14 - SEVERABILITY**

Should any provision of this MOU be found to be inoperative, void, or invalid by a court of competent jurisdiction, all other provisions of this MOU shall remain in full force and effect for the duration of the agreement.

## **ARTICLE 15 - OTHER TERMS**

**Section 15.1** - Should the City Council declare a state of emergency due to a natural disaster during the contract period of July 1, 2021 – June 30, 2024, the HEG retains the right to meet and confer over the impact of wages for its membership,

**Section 15.2** - The City agrees that during the term of this agreement, there will be no workforce reductions, eliminations, or consolidations directly against any member and/or classification within the Hawthorne Executive Group.

**Section 15.3** - Upon notification of retirement to the City Manager, the employee will have the option, in lieu of an immediate lump sum cash out of accrued leave, to remain on payroll for a period not to exceed three (3) months. During this period the employee will continue to be paid utilizing time from their current leave balances.

While on payroll for a period not to exceed three (3) months, the employee will cease to accrue any additional leave time.

During the period that the employee remains on payroll prior to their retirement, the employee will be available to respond to any inquiries or provide any information as requested by the City Manager.

Except as provided herein, it is understood by the parties that they have met and conferred to agreement on all items within the scope of representation for the period to and including June 30, 2016.

**Section 15.4** - Terms, working conditions, and all other language within this MOU will continue at expiration of the MOU until a new MOU is ratified.

**Section 15.5** - The City Manager is authorized by the City Council to offer a three-month severance agreement for salary only to an employee who is voluntarily resigning from employment. Such resignation shall be without cause. The severance agreement shall be put into effect by the employee's written letter of resignation and signed Release and Waiver, provided by the City, against any and all claims, known or unknown.

**Section 15.6 - Reopener**

As soon as practicable following City Council adoption of this MOU, the City and the Association agree to reopen negotiations over changing the procedure for cashing out or selling back to the City leave balances, including, but may not be limited to, the optional cash out provisions set forth in Article 6.

**ARTICLE 16 - TERM OF THE AGREEMENT**


This MOU shall be in full force and effect from July 1, 2021, up to and including June 30, 2024. The parties reserve the right, upon mutual agreement, to meet and confer, in good faith, with respect to any subject or matters within the scope of representation, during the term of this MOU. The parties jointly agree to recommend the provisions of this MOU to the City Council for its adoption, and, if adopted, to abide by its provisions for the term hereof.

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Representing:

THE HAWTHORNE EXECUTIVE  
GROUP

Kimberly Mack  
HEG Board President



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Representing:

THE CITY OF HAWTHORNE

Irma Youssefieh  
Interim Director of Human  
Resources



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