

MEMORANDUM OF UNDERSTANDING

BETWEEN

CITY OF HERMOSA BEACH

AND

HERMOSA BEACH POLICE MANAGEMENT GROUP

JULY 1, 2025 - JUNE 30, 2028



TABLE OF CONTENTS

ARTICLE 1 – PREAMBLE	3
ARTICLE 2 – PARTIES TO THE MEMORANDUM	3
ARTICLE 3 – RECOGNITION.....	3
ARTICLE 4 – SCOPE & IMPLEMENTATION OF THE MEMORANDUM OF UNDERSTANDING.....	3
ARTICLE 5 – FULL UNDERSTANDING, MODIFICATION, WAIVER.....	4
ARTICLE 6 – CONSTITUTIONALITY	4
ARTICLE 7 – JOB ACTION.....	4
ARTICLE 8 – NON-DISCRIMINATION	5
ARTICLE 9 – MANAGEMENT RIGHTS.....	6
ARTICLE 10 – GRIEVANCE PROCEDURE.....	7
ARTICLE 11 – WORK SCHEDULE.....	7
ARTICLE 12 – PROBATION	8
ARTICLE 13 – SENIORITY	8
ARTICLE 14 – COMPENSATION - METHODS OF COMPENSATION	8
ARTICLE 15 – SALARY.....	9
ARTICLE 16 – LONGEVITY INCREASES.....	10
ARTICLE 17 – PEACE OFFICER STANDARD TRAINING (POST) CERTIFICATE PAY ..	10
ARTICLE 18 – ACTING PAY.....	11
ARTICLE 19 – ADDITIONAL DUTIES PAY.....	11
ARTICLE 20 – EXEMPT EMPLOYEES	11
ARTICLE 21 – INSURANCE COVERAGE	12
ARTICLE 22 – DEFERRED COMPENSATION	13
ARTICLE 23 – RETIREMENT.....	13
ARTICLE 24 – RETIREE MEDICAL INSURANCE	14
ARTICLE 25 – LEAVE OF ABSENCE.....	15
ARTICLE 26 - FAMILY AND MEDICAL CARE LEAVE	16
ARTICLE 27 – VACATION	16

ARTICLE 28 – HOLIDAYS	16
ARTICLE 29 – SICK LEAVE	17
ARTICLE 30 – BEREAVEMENT LEAVE	18
ARTICLE 31 – JURY DUTY	18
ARTICLE 32 – MANAGEMENT LEAVE.....	18
ARTICLE 33 – EDUCATIONAL INCENTIVE.....	19
ARTICLE 34 – UNIFORM ALLOWANCE.....	19
ARTICLE 35 – AMMUNITION REPLACEMENT	19
ARTICLE 36 – DISCIPLINARY ACTIONS.....	20
ARTICLE 37 – LAYOFF	20
ARTICLE 38 – NO SMOKING.....	21
ARTICLE 39 – ANNUAL PHYSICAL	21
ARTICLE 40 – WELLNESS REIMBURSEMENT PROGRAM	21
ARTICLE 41 – INDUSTRIAL INJURIES AND ILLNESSES	22
ARTICLE 42 – REOPENERS/ME-TOO CLAUSE.....	23
ARTICLE 43 – DURATION OF CONTRACT	23
EXHIBIT A	25
EXHIBIT B	26

**MEMORANDUM OF UNDERSTANDING
FOR THE POLICE MANAGEMENT GROUP**

JULY 1, 2025 – JUNE 30, 2028

ARTICLE 1 – PREAMBLE

The provisions of this Agreement have been developed in the interest of promoting and improving Employee relations between the City of Hermosa Beach, California and the Police Management employees who are represented by the Police Management Group (PMG).

ARTICLE 2 – PARTIES TO THE MEMORANDUM

This Memorandum of Understanding, hereinafter referred to as the "MOU" or the "Agreement," has been entered into, pursuant to the laws of the State of California and the City of Hermosa Beach, California, by and between the CITY OF HERMOSA BEACH, hereinafter referred to as the "City" or as "Management," and the HERMOSA BEACH POLICE MANAGEMENT GROUP, hereinafter referred to as the "Police Management Group" or "HBPMG."

ARTICLE 3 – RECOGNITION

Pursuant to the provisions of the Meyers-Milias-Brown Act, (Government Code 3500, et seq.), the City agrees to, and does, recognize the Hermosa Beach Police Management Group as the exclusive representative of the full-time positions in the classifications of Police Captain and Police Lieutenant of the City of Hermosa Beach.

**ARTICLE 4 – SCOPE & IMPLEMENTATION OF
THE MEMORANDUM OF UNDERSTANDING**

- A. This Memorandum of Understanding constitutes the joint recommendation of Management and the Police Management Group. It shall not be binding in whole or in part upon the parties unless and until the following conditions have been complied with:

1. The Police Management Group shall notify the City Council in writing that it has formally approved the Memorandum of Understanding in its entirety.
2. The City Council shall approve this Memorandum of Understanding.
3. This MOU has been reached following good-faith negotiations, by the authorized Management representative of the City Council and the authorized representative for the Hermosa Beach Police Management Group.

ARTICLE 5 – FULL UNDERSTANDING, MODIFICATION, WAIVER

- A. It is intended that this Agreement sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any other prior to existing understanding or agreements by the parties whether formal or informal, regarding any such matters are hereby superseded or terminated in their entirety.
- B. Except as specifically provided herein, it is agreed and understood that each party hereto voluntarily and unqualifiedly waives its rights and agrees that the other shall not be required to negotiate with respect to any subject or matter covered herein during the term of this Agreement.
- C. Any agreement, alteration, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall not be binding upon the parties hereto unless made and executed in writing by all parties hereto, and if required, approved and implemented by the City Council.
- D. The waiver of any breach, term or condition of this Agreement by either party shall not constitute a precedent in the future enforcement of all its terms and provisions.

ARTICLE 6 – CONSTITUTIONALITY

If any section, subsection, sentence, clause or phrase of this Agreement is for any reason held to be illegal or unconstitutional, such decision shall not affect the validity of the remaining portion of this Agreement. The Association, through the use of its legal staff, will defend the City against any lawsuits brought about or due to any item of this Agreement. It is understood that the City will not have to pay any of the costs of defense of this Agreement.

ARTICLE 7 – JOB ACTION

- A. The Police Management Group and its members agree that during the term of this MOU there shall be no strike.

- B. In the event of an unauthorized strike, the City agrees that there will be no liability on the part of the Police Management Group provided the Police Management Group promptly and publicly disavows such unauthorized action; orders the employees to return to work and attempts to bring about a prompt resumption of normal operations; and provided further, that the Police Management Group notifies the City in writing, within forty-eight (48) hours after the commencement of such strike, what measures it has taken to comply with the provisions of this strike.
- C. In the event such strike by the Police Management Group has not affected resumption of normal work practices, the City shall have the right to take appropriate disciplinary action.

ARTICLE 8 – NON-DISCRIMINATION

Both parties to this Agreement agree not to discriminate against any employee or applicant because of hair texture and protective hairstyles (such as braids, locks, and twists), color, religious creed (including religious dress and religious grooming practices), national origin, ancestry, citizenship status, age (40 years and older), sex (including pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity and expression (including transgender identity and expression), because an individual has transitioned (to live as the gender with which they identify), is transitioning (or is perceived to be transitioning), sexual orientation, sex stereotyping, marital status, domestic partner status, military service and veteran status, physical and/or mental disability (including HIV and AIDS), legally protected medical condition or information (including genetic information), protected medical leaves (requesting or approved), status as a victim of domestic violence, sexual assault, or stalking, enrollment in a public assistance program, their intersectionality of protected characteristics, Association Membership or activity or any other basis protected by local, state, or federal laws. political affiliation, race, religion, color, sex, age, marital status, national origin, or handicap, and with proper regard for their privacy and constitutional rights as citizens.

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. It is the responsibility of any employee who believes that they are the victim of such harassment to report the conduct to their Division Commander, Chief of Police, Human Resources Manager or the City Manager in a timely manner.

ARTICLE 9 – MANAGEMENT RIGHTS

- A. The exercise of the foregoing powers, rights authority, duties and responsibilities by the City, the adoption of policies, rules, regulations and practices in furtherance thereof, and the use of judgment and the discretion in connection therewith, shall be limited only by the specific and express terms of this Memorandum of Understanding, City Personnel Ordinance and Personnel Rules and Regulations, the Public Safety Officers Procedural Bill of Rights, and other statutory laws.
- B. Except in emergencies, or where the City is required to make changes in its operations because of the requirements of law, whenever the exercise of management's rights shall impact on employees of the bargaining unit, the City agrees to meet and confer with representatives of the Police Management Group, upon request by the Police Management Group, regarding the impact of the exercise of such rights unless the matter of the exercise of such rights is provided for in this Memorandum of Understanding.
- C. MANAGEMENT RIGHTS
 - 1. Manage the City.
 - 2. Schedule working hours.
 - 3. Establish, modify or change work schedules or standards.
 - 4. Institute changes in procedures.
 - 5. Direct the workforce, including the right to hire, promote, demote, transfer, suspend, discipline or discharge any employee.
 - 6. Determine the location of any new facilities, building, departments, divisions, or subdivisions thereof, and the relocation, sale, leasing or closing of facilities, departments, divisions, or subdivisions thereof.
 - 7. Determine services to be rendered.
 - 8. Determine the layout of buildings and equipment and materials to be used herein.
 - 9. Determine processes, techniques, methods and means of performing work.
 - 10. Determine the size, character and use of inventories.
 - 11. Determine the financial policy including accounting procedures.
 - 12. Determine the administrative organization of the system.
 - 13. Determine the selection, promotion, or transfer of employees.

14. Determine the size and characteristics of the workforce.
15. Determine the allocation and assignment of work to employees.
16. Determine policy affecting the selection of new employees.
17. Determine the establishment of quality and quantity standards and the judgment of quality and quantity of work required.
18. Determine administration of discipline.
19. Determine control and use of City property, materials and equipment.
20. Schedule work periods and determine the number and duration of work periods.
21. Establish, modify, eliminate or enforce rules and regulations.
22. Place work with outside firms.
23. Determine the kinds and numbers of personnel necessary.
24. Determine the methods and means by which such operations are to be conducted.
25. Require employees, where necessary, to take in-service training courses during working hours.
26. Determine duties to be included in any job classifications.
27. Determine the necessity of overtime and the amount of overtime required.
28. Take any necessary action to carry out the mission of the City in cases of an emergency.

ARTICLE 10 – GRIEVANCE PROCEDURE

The Grievance Procedure is attached as Exhibit B and incorporated herein by reference.

ARTICLE 11 – WORK SCHEDULE

- A. Police Captains and Police Lieutenants shall with the approval of the Chief of Police have the choice of working a ten (10) hour day, four (4) days per work week; or an eight (8) hour day, five (5) days per work week.
- B. In the event of an emergency situation, the City may cancel, alter or amend the work schedule as necessary immediately.

ARTICLE 12 – PROBATION

- A. All employees covered by this Agreement shall have a probationary period of twelve (12) months. Upon the recommendation of the Chief of Police and with the approval of the City Manager, an employee's probation may be extended for up to six (6) months. Upon successful completion of the probation, the employee shall be given a salary step increase.
- B. Probationary employees, whether new hires or promotional, shall be formally evaluated every three (3) months.
- C. Employees shall receive notification of a probationary extension at least seven (7) calendar days prior to the one-year anniversary of the probationary period.

ARTICLE 13 – SENIORITY

- A. Seniority shall be a determining factor in all acting appointments, promotions, and transfers within the unit. Seniority, as herein applied, shall be defined as the last date of hire with the City, and as applied shall consist of the following factors:
 - 1. Qualifications
 - 2. Ability
 - 3. Length of Continuous Service
- B. When 1 and 2 are relatively equal, length of continuous service shall govern.
- C. This principle of seniority shall not apply to any employee with less than one (1) year of continuous service with the City or with less than six (6) months of service in their most recent job classification.
- D. Seniority shall no longer be applicable if an employee is terminated by discharge or other end of employment (except in cases of layoff).

ARTICLE 14 – COMPENSATION - METHODS OF COMPENSATION

- A. Methods of compensation:
 - 1. Compensation shall be determined on a monthly salary basis.
 - 2. Payments due shall be paid on a semi-monthly basis unless otherwise mutually agreed. By mutual consent early payments and other modifications can be made.

3. Base monthly salary shall be considered the rate of pay for a particular classification without consideration of any other form of compensation.

B. Salary Advancements within Base Pay Range:

1. Step Advancement:

- a. All salary advances shall be based on merit and fitness and requires the employee to have earned an overall rating of “meets expectations” on the annual performance evaluation. All increases shall be recommended by the Chief of Police and approved by the City Manager. In the cases of exceptional merit, and upon the recommendation of the Chief of Police, an employee may, with the approval of the City Manager, be advanced a step within the salary range at other than one-year intervals. Such advancements shall establish a new anniversary date for future advancements. Merit increases shall be effective at the beginning of the next pay period (1st or 16th of month).
- b. Upon the successful and satisfactory completion of twelve (12) months service, employees shall be advanced one step within their range and yearly thereafter until the maximum within the range achieved.

Promotion

- a. An employee who is promoted to a position in a class with a higher salary rate shall be entitled to the lowest step in the higher range which exceeds the present rate of pay (including base salary plus education/longevity pay) with the intent of increasing the salary rate in the new classification (base salary plus education/longevity pay) by at least five percent (5%).

ARTICLE 15 – SALARY

BASE MONTHLY SALARY

The City agrees to hire and appropriately compensate capable Police Management employees. They will be professional, be adequately trained, and meet standards required for such positions. The Council reaffirms that compensation will include such items as salary, contribution for PERS, deferred compensation, health insurance and merit pay.

- A. The salary table attached to the MOU as Exhibit A shall be revised by increasing each amount as follows:

1. Effective July 1, 2025, the salary table shall be adjusted to bring all bargaining unit positions that are below market median as determined by the 2025 Reward Strategy Group Salary Survey Results report to the median identified by the report.
 2. Effective July 1, 2025, and after the implementation of median adjustments, where applicable, the salary table for all classifications will be increased by an additional three percent (3%).
 3. Effective July 1, 2026, the salary table for all classifications shall be increased by three percent (3.0%).
 4. Effective July 1, 2027, the salary table for all classifications shall be increased by three percent (3.0%).
- B. The parties understand that these amounts shall be reported to the California Public Employees Retirement System (CalPERS) as employee compensation and thus be "PERSable."

ARTICLE 16 – LONGEVITY INCREASES

- A. Upon commencement of the fifth (5th) year (Not reportable to PERS, as PERS requires "exceeding of 5 years")
- B. Upon commencement of the tenth (10th) year of service as a sworn peace officer in Hermosa Beach, employee will receive additional compensation of five percent (5%) above base salary.
- C. Upon commencement of the fifteenth (15th) year of service as a sworn police officer in Hermosa Beach, employee will receive additional compensation of five percent (5%) above base salary.
- D. Upon commencement of the twenty-first (21st) year of service as a sworn peace officer in Hermosa Beach, employee will receive an additional compensation of five percent (5%) above base salary.

ARTICLE 17 – PEACE OFFICER STANDARD TRAINING (POST) CERTIFICATE PAY

Employees shall be eligible to receive additional compensation of ten percent (10%) of base salary for possession of a POST Management Certificate.

ARTICLE 18 – ACTING PAY

- A. Employees covered by this Agreement who are temporarily assigned to perform the full range of a higher classification because of emergency conditions, Sick Leave, Vacation and/or relief shall receive a higher rate of pay commencing after eighty (80) consecutive hours of such assignment. Employee shall be placed on a step in the salary range of the position in which they are temporarily assigned that provides at least a five percent (5%) increase to their current salary. During acting assignments, employees remain affiliated with and continue to be covered by this Agreement.
- B. Any employee receiving Acting Pay shall also not be eligible for Additional Duties Pay.
- C. In accordance with Gov. Code Section 20480, if an employee is placed in an Acting position that is vacant as a result of a vacancy, the hours worked by the employee shall be reported to PERS and shall not exceed nine hundred sixty (960) hours per fiscal year.

ARTICLE 19 – ADDITIONAL DUTIES PAY

When an employee is officially determined by their Department Director and the HR Manager to be temporarily performing additional duties outside of their classification, such employee shall be eligible for Additional Duties Pay of four hundred dollars (\$400) per month. Eligibility for the additional pay shall commence after 80 consecutive hours of such. Any employee receiving Additional Duties Pay shall also not be eligible for Acting Pay. Employees are eligible to receive this pay for up to six (6) months or until the duties are removed, whichever is less. If the employee is still performing the duties after six (6), the City shall make every effort to reassign the additional duties to another eligible employee.

ARTICLE 20 – EXEMPT EMPLOYEES

The Classifications of Police Captain and Police Lieutenant are designated as exempt under FLSA.

ARTICLE 21 – INSURANCE COVERAGE

A. Life Insurance

City shall provide a life insurance policy for each employee, payable in the amount of two times annual salary up to a maximum of two hundred thousand dollars (\$200,000).

B. Mental Health

City shall make such a plan available to City employees; the full cost to be paid by the City.

C. Vision Insurance

1. City shall make such a plan available to City employees; the full cost to be paid by the employee.
2. During the Term of this MOU, the City intends to review its dental and vision providers for the purpose of providing quality care for a reasonable price. If the City changes providers and the cost of the dental premium is reduced by at least twenty percent (20%), the City will bear the cost of lowest cost vision plan for the employee + 2 or more dependents.

D. Medical Health Insurance

1. The City will provide employees with a choice of a Preferred Provider Option (PPO) or a Health Maintenance Organization (HMO), both of which will include prescription coverage.
2. The City's maximum monthly premium contribution toward medical insurance for each employee's selected plan and level of coverage will be one thousand nine hundred thirty-one dollars and four cents (\$1,931.04). Employees choosing a medical insurance plan and/or coverage level with a monthly premium that exceeds the City's maximum contribution shall pay the difference by payroll deduction.
3. The current medical plan or its equivalent, to remain in force during the term of this MOU. City shall meet and consult should there be a change in providers or plan structure.
4. An employee who demonstrates proof of medical insurance coverage available through a spouse may receive a cash payment of seven hundred fifty dollars (\$750) per month in lieu of City provided coverage.

E. Dental Insurance

1. City shall provide for Police Management Group members a dental insurance plan to include a choice of an indemnity plan or a pre-paid plan.
2. The City's maximum monthly premium contribution toward dental insurance for each employee's selected plan and level of coverage will be two hundred twenty-six dollars and thirty cents (\$226.30). Employees choosing a dental insurance plan and/or coverage level with a monthly premium that exceeds the City's maximum contribution shall pay the difference by payroll deduction.

ARTICLE 22 – DEFERRED COMPENSATION

City agrees to make available to all employees in the Police Management Group a citywide Deferred Compensation Plan.

- A. Each employee, individually, may elect to participate in any deferred compensation plan offered by the City.
- B. The City will match employee contributions to the deferred compensation plan of up to \$50 per pay period, effective the first full pay period following City Council approval and the parties' execution of the MOU.

ARTICLE 23 – RETIREMENT

- A. Tier I. The City provides the PERS 3% at 50 Plan with one-year final compensation for employees hired prior to July 1, 2011.
- B. Tier II. For employees hired on or after July 1, 2011, the PERS retirement benefit formula shall be 2% @ 50, with retirement benefits calculated on one-year final compensation. Other retirement benefits for employees hired on or after this adoption date will remain the same as employees hired prior to this effective date, including Section 20042, One Year Final Compensation and Sections 21624, 21626, and 21628, Post-Retirement Survivor Allowance. Employee shall be responsible for their full employee contribution.
- C. Tier III. Unit members who are "new members" as defined in by AB 340, shall individually pay an initial Member CALPERS contribution rate of 50% of the normal cost rate for the Defined Benefit Plan in which said newly hired employee is enrolled, rounded to the nearest quarter of 1%, or the current contribution rate of similarly

situated employees, whichever is greater. (AB 340 – Government Code section 7522.30)

Unit members who are “new members” as defined in the above AB 340, shall be enrolled in the AB 340 provided for SAFETY OPTION PLAN TWO (2.7% at 57) (Government Code section 7522.25(e), with final pensionable compensation (as defined for new members in Government Code § 7522.34) being determined by reference to the highest average annual pensionable compensation earned during a period of 36 consecutive months. (Government Code § 7522.32(a).)

ARTICLE 24 – RETIREE MEDICAL INSURANCE

- A. Tier I: Retiree medical insurance stipends provided to employees who retired prior to July 1, 2005, shall remain at existing amounts.
- B. Tier II: Employees covered by this agreement who were hired before July 1, 2017, and who retire from the City of Hermosa Beach after July 1, 2005, will be eligible for the following medical insurance benefits:

The City will pay an amount up to the employee only HMO premium available through the City’s medical insurance provider for employees who complete a minimum of twenty (20) years total full-time sworn police service with the City, regardless of the employee’s age at the time of separation from city service.

1. For retirement at age fifty-five (55) with a minimum of fifteen (15) years total full-time service with the City, the City will pay an amount up to the employee only HMO rate available through the City’s medical insurance provider.
2. Said benefit provided under Sections A and B above, shall commence with the first month following the employee’s approved retirement date by Cal PERS.
3. In order to be eligible for medical supplement payments, an employee must either remain on a medical insurance plan offered by the City or provide proof of coverage on a self-procured medical insurance plan.
4. Any payments made by the City shall normally be made directly to a medical insurance provider. However, other payment arrangements may be considered.
5. Any employee receiving a benefit under this article agrees to apply for, and enroll in, any Federal and/or State medical insurance plan (e.g. Medicare, Medicaid, etc.) for which they may become eligible unless such Federal and/or State medical insurance plan or equivalent no longer exists.

6. Upon enrollment in Medicare, the City agrees to pay the premium for purchasing coverage equivalent to the benefits provided under the existing Medicare “Part B” program.
 7. For employees not eligible for Medicare benefits, who were employed prior to the City’s participation in the Medicare program, the City will continue retiree medical insurance benefits the employee is eligible for under section 1 or 2 above.
- C. Tier III: Employees covered by this agreement who were hired on or after July 1, 2017, will be eligible for the following medical insurance benefits:
1. For service retirement at age fifty-five (55) with a minimum of twenty (20) years of continuous full-time service with the City, the City will pay a four hundred dollar (\$400) per month medical insurance supplement.
 2. The benefit provided Tier III, shall commence with the first month following the employee's approved retirement date by Cal PERS.
 3. In order to be eligible for medical supplement payments, an employee must either remain on a medical insurance plan offered by the City or provide proof of coverage on a self-procured medical insurance plan.
 4. Any payments made by the City shall normally be made directly to a medical insurance provider. However, other payment arrangements may be considered.
 5. The payment of the medical insurance supplement will end when the employee reaches the age of eligibility for any Federal or State medical insurance plan.

ARTICLE 25 – LEAVE OF ABSENCE

Management agrees to allow all employees covered by this MOU to take a leave of absence without pay, not to exceed sixty (60) days, in conjunction with, or in addition to, their regular vacation time. This leave will only be allowed every other year. Timing and duration of leave is subject to approval of the Chief of Police and subject to the needs of the department. This provision shall not reduce any leave entitlement an employee may have under the Military and Veterans Code.

ARTICLE 26 - FAMILY AND MEDICAL CARE LEAVE

As required by State and Federal law, the City will provide Family and Medical Care Leave for eligible Employees. The City maintains a FMLA/CFRA/PDL procedure which governs Family and Medical Care Leave, which is provided to all employees at the start of their employment and on the City's Intranet site.

ARTICLE 27 – VACATION

- A. Vacation accrual rates shall be as follows:
1. Upon hire, at the rate of 96 hours/year.
 2. Commencing with the 7th year, at the rate of 112 hours/year.
 3. Commencing with the 8th year, at the rate of 136 hours/year.
 4. Commencing with the 15th year, at the rate of 160 hours/year.
 5. Commencing with the 16th year, at the rate of 168 hours/year.
 6. Commencing with the 17th year, at the rate of 176 hours/year.
 7. Commencing with the 18th year, at the rate of 184 hours/year.
 8. Commencing with the 19th year, at the rate of 192 hours/year.
 9. Commencing with the 20th year, at the rate of 200 hours/year.
- B. An employee covered by this Agreement may accrue vacation time to a maximum of two hundred seventy (270) hours. Cash out of any earned but unused vacation accrual in excess of two hundred seventy (270) hours (as of January 31st each year) shall be automatically cashed out as part of the February 20th payroll.

ARTICLE 28 – HOLIDAYS

- A. Effective July 1, 2022, all Employees covered by this Agreement shall receive one hundred ten (110) hours per year for the following holidays off with pay: New Year's Day; Martin Luther King, Jr.'s Birthday; President's Day; Cesar Chavez Day; Memorial Day; Juneteenth; Independence Day; Labor Day; Veterans Day; Thanksgiving Day; half-day (five (5) hours) Christmas Eve; Christmas Day; half-day (five (5) hours) New Year's Eve.
- B. All employees required to work on a recognized holiday shall receive Holiday Compensation Time. Employees covered by this Agreement may accrue up to 100

hours of Holiday Compensation Time for those holidays in which compensatory time is earned. The City will provide a holiday schedule to the Police Management Group for review prior to January 1 of each year. For all holidays that fall on a Friday or Saturday employees will receive compensatory time. For all holidays that fall on a Sunday, the holiday will be observed on Monday. Cash out of any earned, but unused holiday compensation hours in excess of 100 hours (as of January 31 of each year) shall be automatically cashed out as part of the February payroll.

ARTICLE 29 – SICK LEAVE

- A. Employees shall accrue ten (10) hours of sick leave per month until the commencement of their fifteenth (15th) year, at which time they will accrue twelve (12) hours per month.
- B. After an employee accrues and maintains one hundred seventy-six (176) hours of sick leave, the employee may cash out annually up to a maximum of ninety-six (96) hours of accrued sick leave at the employee's current hourly pay rate.
- C. In the case of serious illness of a member of the immediate family, the employee may utilize sick leave. Immediate family for the purpose of this section shall be defined as: father; mother; father-in-law; mother-in-law; grandparents; brother; sister; spouse; or legal dependent. Employees may predesignate and substitute other members for those members defined as "immediate family." The intent of this provision is not to expand the number of persons included in the definition of "immediate family" or to increase paid leave opportunities, but rather to recognize variation in family structure (e.g. stepmother for mother).
- D. Employees covered by this Agreement may, upon resignation or retirement from their employment with the City, elect to be paid for unused sick leave accrued prior to September 16, 2017, at their current rate of pay. Except as provided in A above, unused sick leave accrued after September 16, 2017, shall not be cashed out. Pursuant to Government Code § 20965, related CalPERS, rules and the City's contract with CalPERS, upon retirement from City employment, a unit member's unused accumulated sick leave at the time of retirement may be converted to additional service credit.
- E. Except as otherwise provided in B above, sick leave accrued on or after September 16, 2017, shall not be paid out at resignation or retirement.

ARTICLE 30 – BEREAVEMENT LEAVE

- A. Each employee covered by this Agreement shall receive a maximum of forty hours per occurrence to be utilized for Bereavement Leave because of a death in their immediate family, including spouse, child, parent, sibling, grandparent, grandchild, domestic partner, parent in-law, and stepchild.
- B. One additional unpaid shift shall be granted to the employee upon request. The employee can elect to use available paid leave accruals to cover the additional shift.
- C. Employees may pre-designate and substitute other Members defined as “immediate family.” The intent of this provision is not to expand the number of persons included in the definition of “immediate family” or to increase paid leave opportunities, but rather to recognize variation in family structure (e.g. stepmother for mother)
- D. Bereavement Leave shall be taken within twelve (12) months of the death and does not need to be consecutive nor will pay in lieu of unused leave for bereavement be provided.

ARTICLE 31 — JURY DUTY

- A. If called for jury duty in a Municipal, Superior, or Federal Court, or for a Coroner's Jury, Employees covered by this Agreement shall remain in their regular pay status. All jury fees except mileage reimbursement shall be returned to the City. The City will provide paid jury duty leave in accordance with Administrative Policy P15.
- B. Employees who have served four (4) or more hours in one day of jury duty will not be required to report for work within twelve (12) hours of the time they were released, dismissed, or excused from jury duty for the day. At the Supervisor's discretion an employee may be excused from the reporting requirement if the time they would be at work is de minimis.

ARTICLE 32 – MANAGEMENT LEAVE

Police Captains and Police Lieutenants shall be allowed one hundred (100) hours of additional leave each calendar year in addition to flex time for extraordinary assignments, fixed holidays and bereavement leave. Management leave does not accumulate or carry over; it must be used each year. Said Management Leave shall have no monetary value.

ARTICLE 33 – EDUCATIONAL INCENTIVE

- A. The City agrees that Police Captains and Police Lieutenants who desire to enroll in training, certification programs and academic courses that may provide the employee with general or specific skills and/or knowledge that contributes to their ability to perform their current position or enhances promotional opportunities, shall have their course fees (up to CSU rate), books, materials, and tuition for any CSU (employees who attend a non-CSU campus will receive up to the average of CSULB, CSUDH & CSULA paid by the City, in advance, subject to the approval of the City Manager. The employee will reimburse the City for all expenses incurred for any class or classes the employee fails or does not complete or if the employee voluntarily leaves City employment during the period they are enrolled and received payment.
- B. Advancement of tuition shall be on a pro-rated basis depending upon the number of hours an Employee covered by this Agreement is normally scheduled to work (i.e. full time @ 100% coverage, half time @ 50% coverage, etc.).

ARTICLE 34 – UNIFORM ALLOWANCE

- A. The uniform allowance for Police Captains and Police Lieutenants shall be one thousand two hundred dollars (\$1,200) per year, payable through the regular payroll schedule.
- B. Uniform allowances shall be reported to CalPERS periodically when earned, on a per pay period basis, in accordance with the Public Employees' Retirement Law (PERL) and applicable regulations.
- C. These items are not reportable for "new members" under the Public Employees' Pension Reform Act of 2013 (PEPRA), as defined by Government Code Section 7522.04(f).

ARTICLE 35 – AMMUNITION REPLACEMENT

- A. In addition to the quarterly qualification ammunition, each officer will be allowed to utilize fifty (50) rounds of ammunition for their primary duty weapon, at City expense, each month at the firing range used by the Department. The City will also pay for the expense of using the range. The ammunition will be used to practice on an approved course of fire so that officers will become more proficient with their service weapons.
- B. The City will not compensate officers for the time spent to utilize this ammunition. Officers must use the allotted ammunition each month; it does not accumulate.

ARTICLE 36 – DISCIPLINARY ACTIONS

- A. For the purpose of defining disciplinary actions, the following definitions shall be applicable:
 - 1. Dismissal
 - 2. Demotion
 - 3. Suspension
 - 4. Reductions in pay
 - 5. Reprimand (written)
- B. Appeals from the disciplinary actions shall be subject to the City of Hermosa Beach Personnel Rules and Regulations.
- C. Prior to the commencement of any internal investigation which is likely to subject the officer to disciplinary action, the officer shall be advised of their rights pursuant to Section 3300, et. seq., of the California Government code as amended. All rights contained therein shall be applicable to the disciplinary actions and shall be used as a minimum guideline only.
- D. Any reprimand record or other writing containing adverse comments included in the employee's personnel package is a written reprimand. Adverse comments or documents placed into the Evaluation Log (also referred to as the "Red File") are not written reprimands. Evaluation log entries may be appealed to the Chief of Police pursuant to procedures set forth in the Police Department Policy and Procedures Manual.
- E. Inclusionary periods as currently set forth in the Police Department rules and Regulations shall remain in effect during this MOU

ARTICLE 37 – LAYOFF

- A. Hermosa Beach Municipal Code Section 2.76 and the City of Hermosa Beach Personnel Rules and Regulations are the governing provision regarding layoff. However, City further agrees that prior to implementation of any such layoff, discussions shall be held to explore other alternatives, mitigation, etc.

- B. It is further agreed that in the event the City should contract with another agency for provision of police services, the Police Management Group shall receive six (6) months advance notice prior to the effective date of any such change.

ARTICLE 38 – NO SMOKING

The parties agree that the City shall amend its class specifications for unit positions to provide that employees who become unit employees after March 1, 1988, shall, as a condition of their continued employment, refrain from smoking tobacco or any other non-tobacco substance at any time on or off duty. Violation of this condition of employment shall be deemed good cause for dismissal.

ARTICLE 39 – ANNUAL PHYSICAL

- A. All employees covered by this Agreement shall be provided with a complete physical examination (participation is voluntary) according to the following schedule:
 - 1. Every two (2) years up to, and including, age 38.
 - 2. Annually at age 39 and thereafter.
- B. Said physical to be at a location of the City's choice and at the City's expense.
- C. The physical exam is to include at least the following:
 - 1. Review of medical history, physical examination; Urinalysis; VDRL; X-Rays (Chest PA, Lumbar Spine and Cervical) only if indicated; Blood groupings, CBC, Chem Panel 17; EKG and Treadmill; Lipid Analysis; Pulmonary Function Test; Hearing test; Strength and Flexibility testing.
- D. Upon submitting proof of an annual physical exam employees covered by this Agreement shall receive ten (10) hours of wellness time. This time may not be cashed out and will not roll over to the subsequent year.

ARTICLE 40 – WELLNESS REIMBURSEMENT PROGRAM

- A. Employees may request reimbursement of up to five hundred dollars (\$500) dollars per plan year for participation in activities that promote personal health and wellness.
- B. Eligible expenses must be incurred while actively employed and include:
 - 1. Gym, fitness center/studio, and health club membership and fees.

2. Fitness and nutrition counseling.
 3. Fitness and sports classes/lessons.
 4. Yoga, Pilates and meditation classes.
- C. Expenses not eligible for reimbursement include but are not limited to apparel, vitamins, proteins, supplements, exercise equipment and salon/spa memberships. All reimbursement requests are subject to Human Resources approval.
- D. The Plan Year for the wellness reimbursement will be paid for expenses purchased from July 1 through June 30 of the prior current fiscal year. All reimbursement requests must be submitted to Human Resources between the first and last business day of July each year (annual request period). Costs above the annual maximum of five hundred dollars (\$500) will be the sole responsibility of the employee. No carryover is allowed of any unused funds. Employee must submit the Wellness Reimbursement Request Form to Human Resources during the annual request period and employee must attach all itemized receipts/proof of purchase for qualified purchases to the request form. Human Resources may request additional information to determine eligibility for reimbursement. Employees must be active on the payout date in order to receive reimbursement.

ARTICLE 41 – INDUSTRIAL INJURIES AND ILLNESSES

- A. In the event that an employee covered by this Agreement sustains an injury or illness occurring in the course of their employment with the City, the employee shall be entitled to that compensation prescribed by State law and all items of compensation specified in this Agreement.
- B. An employee on industrial injury leave shall be under the direction of the City. They shall be available at all times during City business hours subject to the advice of their treating physician.
- C. An employee on industrial injury leave shall be subject to the rights, protection and responsibilities as detailed in the Police Department policy manual.
- D. It is understood that the City will provide medical facilities to be used for industrial accidents or illness.
- E. Employees will be seen and treated by medical professionals that are part of the Medical Provider Network, unless an employee has pre-designated a physician.
- F. Employees may designate a personal physician to provide treatment in the event of a workers' compensation injury or illness. A pre-designation form entitled,

“PERSONAL PHYSICIAN PRE-DESIGNATION FORM FOR WORK RELATED INJURIES” must be completed in order to designate a physician. This two-page form is available in the Human Resources Office and must be signed by the employee AND their personal physician and returned to the Human Resources Office BEFORE an injury occurs in order to be valid.

- G. An employee who suffers an injury-on-duty will continue to have payment of the City portion of all Health Insurance premiums paid for a period of seven (7) full months commencing with the month in which the injury occurred.
- H. Nothing herein shall prevent an employee from utilizing their accrued time in lieu of receiving temporary disability payments under the provisions of the Workers’ Compensation laws of the State of California.

ARTICLE 42 – REOPENERS/ME-TOO CLAUSE

The parties agree to open the meet and confer process during the term of this MOU only as regards the following issues. These reopeners are not contingent upon the execution of any successor MOU and no successor MOU is contingent upon agreement on these reopeners:

- A. The City and PMG agree to meet and confer on moving the City from a bi-monthly payroll period to a bi-weekly payroll period. It is understood that in order to do so, all bargaining units in the City must agree to this change.
- B. The City and PMG agree to meet and confer on the City’s contribution for medical coverage if the monthly premium exceeds the cost of the family HMO plan.
- C. During the term of this MOU, if the Police Officer’s Association receives a higher increase to the proposed cost of living increases, as described in Article 15 Wages, the City agrees to provide the same such increases and improvements to the Association.
- D. The provision of this paragraph shall expire on and not be effective after June 30, 2028.

ARTICLE 43 – DURATION OF CONTRACT

This MOU is effective July 1, 2025 and shall remain in full force and effect through June 30, 2028.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Memorandum of Understanding this _____ day of _____, 2025.

**HERMOSA BEACH POLICE
MANAGEMENT GROUP**

CITY OF HERMOSA BEACH

Eric Cahalan, Police Captain

Cynthia Stafford, Chief Negotiator

Joe Poelstra, Acting Police Captain

Steve Napolitano, Interim City Manager

Mick Gaglia, Police Lieutenant

Brandon Walker, Director of Administrative
Services

Tiffany Nguyen, Human Resources
Manager

EXHIBIT A

EFFECTIVE JULY 1, 2025 - JUNE 30, 2026

GRADE	TITLE	Monthly Salary Range			
		Step 1	Step 2	Step 3	Step 4
P01	POLICE CAPTAIN	\$15,487	\$16,261	\$17,074	\$17,928
P03	POLICE LIEUTENANT	\$14,217	\$14,928	\$15,674	\$16,458

EFFECTIVE JULY 1, 2026 - JUNE 30, 2027

GRADE	TITLE	Monthly Salary Range			
		Step 1	Step 2	Step 3	Step 4
P01	POLICE CAPTAIN	\$15,951	\$16,749	\$17,586	\$18,466
P03	POLICE LIEUTENANT	\$14,644	\$15,376	\$16,145	\$16,952

EFFECTIVE JULY 1, 2027 - JUNE 30, 2028

GRADE	TITLE	Monthly Salary Range			
		Step 1	Step 2	Step 3	Step 4
P01	POLICE CAPTAIN	\$16,430	\$17,251	\$18,114	\$19,020
P03	POLICE LIEUTENANT	\$15,083	\$15,837	\$16,629	\$17,460

**GRIEVANCE PROCEDURES
FOR
HERMOSA BEACH POLICE DEPARTMENT**

I. Purpose of Grievance Procedures

- A. To promote improved employee-employer relations by establishing grievance procedures on matters.
- B. To provide that grievances shall be heard and settled as informally as possible.
- C. To enable grievances to be settled promptly and/or as near to the point of origin as possible.

II. Definition

A grievance is defined as any dispute concerning the interpretation, intent or application of the written Memorandum of Understanding or departmental rules and regulations governing personnel practices or working conditions applicable to employees covered by the Memorandum of Understanding. An impasse in meeting and conferring upon the terms of a proposed Memorandum of Understanding is not a grievance.

III. Conduct of Grievance Procedure

- A. An employee may request the assistance of another person of his own choosing in preparing and presenting of their grievance at any level of review, or may be represented by a recognized employee organization, or may represent himself.
- B. The employee and his representative, if any, may use a reasonable amount of work time, as determined by the appropriate Division Commander, and a Police Management Group Board Representative, in conferring about and presenting a grievance.
- C. Any grievance relating to the retroactive status of monetary or fiscal matters shall be limited to the date of filing of the grievance in writing, except in such cases where it would be impossible for the employee to have prior knowledge of an accounting error, or where the error is departmentally or City caused.

- D. The time limits specified may be extended to a definite date by mutual agreement of the employee and the reviewer concerned.
- E. Employees shall be free from reprisal for using the grievance procedure.

IV. Matters Subject to Grievance Procedure

Full-time employees having probationary or permanent status may process a personal grievance on one, or more than one, of the following grounds.

- A. Improper application of rules, regulations and procedures.
- B. Unfair treatment, including coercion, restraint, or reprisal.
- C. Promotion procedures implemented unfairly.
- D. Non-selection for training opportunities.
- E. Discrimination because of race, religion, color, creed, or national origin.
- F. Any matter affecting an employee's wages, hours or working conditions.
- G. Discharge, demotion, or suspension of less than five (5) days. Suspensions of five (5) days or greater are governed by Rule XXX of the Hermosa Beach Personnel Rules.
- H. Individual disputes over the intents or application of the provisions of the most recent officially signed agreement between the City and their recognized employee representatives.
- I. Probationary employees may file grievances under all of the above, but not as applied to their performance rating or dismissal.

V. Grievance Procedure

Step One – Informal Process

An employee must attempt first to resolve a grievance through discussion with his immediate supervisor without undue delay on an informal basis. If, after such discussion, the employee does not believe the problem has been satisfactorily resolved, he shall have the right and obligation to discuss it with his supervisor's immediate superior, if any, and his department head if necessary. Every effort shall be made to find an acceptable solution by these informal means at the most immediate level of supervision. At no time may the informal process go beyond the department head concerned. In order that this informal procedure may be

responsive, all parties involved shall expedite this process. In no case may more than fifteen (15) calendar days elapse from the date of the alleged incident or action and the resolutions of the grievance or completion of the informal process. Said grievance shall be considered waived if not so presented to the immediate supervisor within fifteen (15) calendar days following the day during which the event upon which the grievance is based occurred.

Step Two – Formal Process – Management Supervisor

If the grievance is not resolved through the informal process, the employee shall have the right within ten (10) working days from the decision or completion of the informal process to file the grievance in writing on a specified form and present it to his Division Commander. The Division Commander shall discuss the grievance with the employee and shall render a decision and comments in writing and return them to the employee within ten (10) working days after receiving the grievance. Failure of the grievant to serve such written notice ten (10) calendar days following the termination of the informal step shall constitute a waiver of the grievance.

Step Three – Formal Process – Department Head

If the grievance procedure is not resolved at Step 2 and the employee is notified in writing, the employee may, within the next ten (10) working days present the grievance in writing to the department head. In the event that no written response is given to the employee within ten (10) working days from the date of submission of the written grievance, the grievance will be assumed to have been valid and the employer will take steps to correct that problem. Failure of the employee to take appropriate action within the prescribed time periods will be deemed to constitute termination of the grievance. Failure of the employer to respond within the time provided will be deemed to be an admission as to the validity of the grievance and will require affirmative action to correct the grievance. The department head shall render his decision and comments in writing within ten (10) working days from the date of receipt of the grievance and return them to the employee within that time.

Step Four – Advisory Arbitration

- A. If the grievance is not resolved in Step 3 the employee may within ten (10) working days, present the grievance in writing to the City Manager or his designate for processing. Failure of the employee to take this action within five (5) working days from the date of receipt of rejection of the grievance in Step 3 will be deemed to constitute a termination of the grievance.
- B. The scope of the advisory arbitration of grievance shall include all of the greeable

matters as set forth in Section 4 of this procedure. An exception would be those matters that by the Hermosa Beach Personnel Rules must be adjudicated by the Hermosa Beach Civil Service Commission. All other grievances shall bypass Step 4 of the grievance procedure and go to the Step 5 procedures. An employee who chooses advisory arbitration shall be deemed to have made a choice between the Civil Service Board of Review and arbitration and, therefore, may not seek two hearings on the same grievance.

- C. As soon as possible, and in any event not later than ten (10) working days after either party received written notice from the other of the desire to arbitrate, the parties shall agree upon an arbitrator unless external constraints prohibit compliance, whereupon the earliest date available shall apply.
- D. Arbitrator shall be selected from a list of seven (7) arbitrators from a list provided by the State or Federal Mediation and Conciliation Service within two (2) working days. If a mutual agreement cannot be reached at a meeting of the two parties as to selection of an arbitrator, then each party shall strike off a name from the list on an alternating basis until one name remains which person shall become the arbitrator. The City shall have the first opportunity to strike a name from the list of (7) arbitrators. The priority of striking names shall alternate from one party to the other each time advisory arbitration is invoked by the same parties.
 - 1. Any arbitrator appointed must be familiar with employee/management relations in public employment.
 - 2. The arbitrator shall hold such hearings and conduct such proceedings as may be necessary, but such hearings and proceedings shall be conducted in an expeditious and confidential manner with the involved parties only. Employees called as witnesses shall be released from duty as needed.
 - 3. The rules of conduct of proceedings shall be according to those procedures utilized by the Arbitration Service.
 - 4. The findings of fact and the recommendations of the arbitrator shall be transmitted to the involved parties and the City Manager.
 - 5. The fees and expenses, including the making of the record of the arbitrator, shall be borne equally by the parties, except attorney fees. Calling of the witnesses by either party shall be done with a reasonable amount of restraint. An excessive use of witnesses will necessitate the cost of loss of work time to be paid by the party calling the witnesses. A decision of the arbitrator may be requested by either party as to whether there may have been an excessive use of witnesses.

6. The arbitrator shall have no power or alter, amend, change, add to, or subtract from any of the terms of the Memorandum of Understanding. The decision of the arbitrator shall be based solely upon the evidence and arguments presented to him by the respective parties in the presence of each other.
7. The decision of the arbitrator shall be advisory only.

Step Five – Final Process – City Manager

If the grievance cannot be resolved at Step 3, the employee may thereafter submit the matter to the City Manager or their properly appointed representative for the purposes of obtaining their review and settlement of the grievance. Thereafter the City Manager or their designated representative shall, in all non-arbitrable cases, review the matter and render a decision in writing to the parties within fifteen (15) calendar days from the date of receipt.