

RESOLUTION NO. 18-150, SERIES 2018

**RESOLUTION APPROVING WAGES AND BENEFITS OF
UNREPRESENTED EXECUTIVE MANAGEMENT EMPLOYEES**

WHEREAS, the City Council of the City of Davis, pursuant to California Government Code section 3500 et seq., previously enacted Resolution No. 12-088, Series 2012, a resolution setting forth various terms, conditions and benefits of employment for the City's executive managers, and

WHEREAS, the "Executive Management" employees are listed in the City's approved City Salary Table, and currently include the "at will" positions of City Manager, Assistant City Manager, Police Chief, Fire Chief, Public Works Director, Parks and Community Services Director, Finance Director, Human Resources Director, Information Technologies Administrator, City Clerk, Community Development Director, Community Development Administrator, Business and Community Engagement Director, Assistant Director Community Development & Sustainability, Assistant Director Parks & Community Services, Assistant Public Works Director, City Engineer, Assistant City Engineer Traffic, and Fire Assistant Chief; and

WHEREAS, the terms, conditions and benefits for the Executive Management employees are updated from time to time by the City Council; and

WHEREAS, the City of Davis contracts with the California Public Employees Retirement System ("CalPERS") and obtains medical benefits through the Public Employees' Medical and Hospital Care Act (PEMHCA); and

WHEREAS, in part, to more clearly and consistently comply with CalPERS and PEMHCA requirements, the City of Davis is adopting this Resolution specifically outlining the benefits and special compensation provided to unrepresented Executive Management employees.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Davis does hereby Finds, Determines, Resolves and Orders as Follows:

Section 1. The City Council hereby re-affirms and renews its approval of the City Manager's authority to negotiate employment terms with the other Executive Management employees covered under this Resolution, including but not limited to the appropriate pay step into which to hire new staff (from within the City Salary Table) and to enter into individual employment agreements for such Executive Management positions on the City's behalf. Any such employment agreement terms which conflict with the specified benefits provided under this Resolution must be approved by the City Council.

Section 2. Executive Management employees other than the City Manager continue to serve as "at will" employees, serving at the will and pleasure of the City Manager. The City Manager continues to serve at the will and pleasure of the City Council (as set forth in the City Manager's employment agreement).

Section 3. For Executive Management employees, where this Resolution references memoranda of understanding, such reference shall apply as follows:

- The Individual Management Employees MOU for the non-sworn/civilian classifications of City Manager, Assistant City Manager, Public Works Director, Parks and Community Services Director, Finance Director, Human Resources Director, Information Technologies Administrator, City Clerk, Community Development Administrator, Community Development Director, Business and Community Engagement Director, Assistant Director Community Development & Sustainability, Assistant Director Parks & Community Services, Assistant Public Works Director, City Engineer, and Assistant City Engineer Traffic. The Individual Management Employees MOU is attached hereto and incorporated by reference as Exhibit A; and
- The Police Management MOU for the sworn safety classification of Police Chief. The Police Management MOU is attached hereto and incorporated by reference as Exhibit B; and
- The Fire Management MOU for the sworn safety classification of Fire Chief and Fire Assistant Chief. The Fire Management MOU is attached hereto and incorporated by reference as Exhibit C.

Collectively, these three agreements shall be referred to in this Resolution as “the Management Employees MOU’s.”

Section 4. Compensation for Executive Management employees, other than City Manager, shall be determined based on the salary range for the classification as shown in the approved City Salary Table. Movement between the pay steps shall be based on performance and at the City Manager’s discretion. Salary range adjustments (such as COLAs) shall remain consistent with similarly situated management employees, as provided in the applicable MOUs attached as Exhibits A, B, and C. Market adjustments may be recommended, at the City Manager’s discretion, based on operational need, market evaluation, or other related factors, but will require approval by the City Council in order to take effect.

The non-sworn/civilian Executive Management classifications connected with other non-sworn/civilian employees as provided in the attached Exhibit A, shall receive a one-time payment of the same type described in Section 2.B of Exhibit A, but in the amount of \$2,200 rather than 2% of annual base pay.

Above provision does not apply to City Manager. City Manager compensation is approved in contract by City Council.

Section 5. Health and Welfare Benefits for current employees (medical, dental, vision, LTD, flexible spending accounts, deferred compensation plans, and EAP), as well as retiree health insurance benefits (including identified cost sharing and cash in lieu provisions) shall be the same for Executive Management employees as are currently available to other similarly situated management employees, as provided in the applicable Management Employees MOUs attached as Exhibits A, B, and C. The City will also provide a \$100,000 dollar life insurance policy for executive management employees.

Section 6. Leave – Executive Management employees shall be eligible for and receive the same vacation, holidays, sick leave and management leave (80 hours) as other management employees, as provided in the applicable Management Employees MOU attached as Exhibits A, B, and C.

Section 7. Special compensation and retirement benefits (as defined by CalPERS) applicable to non-sworn/civilian executive management employees shall correspond to those provided in the current Individual Management Employees MOU as set forth in Exhibit A. The City Council finds this provision to be consistent with existing special compensation and retirement benefits for the non-sworn executive management employees.

Section 8. Special compensation and retirement benefits (as defined by CalPERS) apply to the Police Chief as provided in the current Police Management Employees MOU as set forth in Exhibit B. The City Council finds this provision to be consistent with existing special compensation and retirement benefits for the non-sworn executive management employees.

Section 9. Special compensation and retirement benefits (as defined by CalPERS) apply to the Fire Chief as provided in the current Fire Management Employees MOU as set forth in Exhibit C. The City Council finds this provision to be consistent with existing special compensation and retirement benefits for the non-sworn executive management employees.

Section 10. Special compensation items described in Sections 7-9 above (including, but not limited to, Longevity Pay, Education/Certification Pay, and Uniform Allowance (for CalPERS "classic" members)) are deemed by the City to be, to the extent permitted by law, "special compensation" and compensation earnable within the meaning of Section 20636 of the California Government Code and Section 571(a) of the PERS regulations. Eligibility for these special compensation elements is consistent with the current employment agreements of all members of the executive management group other than the City Manager as of January 1, 2016.

Section 11. Reduction in Salary or Benefits. In the event the City implements cost-saving measures, such as work furloughs, salary reductions, changes to health or welfare benefits and allowances, or any other changes to the terms the applicable Management Employees MOUs, Executive Management employees will receive the same downward adjustment and change in terms as that applicable to the corresponding management unit. In the event that such cost-saving measures are subsequently eliminated (i.e. former salary or benefit levels are restored), Executive Management employees will receive same restoration of salary or terms as the corresponding management unit.

PASSED AND ADOPTED by the City Council of the City of Davis on this 31st day of July, 2018, by the following vote:

AYES: Arnold, Carson, Frerichs, Partida, Lee

NOES: None



Brett Lee
Mayor

ATTEST:



Zoe S. Mirabile, CMC
City Clerk

MEMORANDUM OF UNDERSTANDING

Between

INDIVIDUAL GENERAL MANAGEMENT EMPLOYEES

And

THE CITY OF DAVIS

July 1, 2017 to June 30, 2021

**MEMORANDUM OF UNDERSTANDING
WITH the INDIVIDUAL
GENERAL MANAGEMENT EMPLOYEES
(Except City Manager, Public Safety Positions,
and Executive Management Positions)**

This Memorandum of Understanding, hereinafter referred to as “MOU” or “Agreement”, is made and entered into between the EMPLOYEE RELATIONS OFFICER OF THE CITY OF DAVIS, hereinafter referred to as “City” and the INDIVIDUAL GENERAL MANAGEMENT EMPLOYEES (hereinafter referred to as “Employees”), pursuant to California Government Code sections 3500 et seq., and the City of Davis Resolution No. 1303, Series 1973, dated June 26, 1973.

The parties have met and conferred in good faith regarding employment terms and conditions of the employees, and having reached agreement on changes to be made in employment benefits and conditions for a period commencing July 1, 2017, and ending June 30, 2021, as hereinafter set forth, shall submit this Agreement to the City Council with the joint recommendation that the Council resolve to adopt its terms and conditions and take such other and/or additional action as may be necessary to implement its provisions.

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SECTION 1. EMPLOYEE GROUP

Employees holding positions included within the General Management Group will have property rights in their employment and may only be terminated or disciplined for cause.

The City Manager reserves the right to determine whether new management positions will be added to the General Management Group as they are created.

Classifications considered as part of the General Management Group are listed in Appendix A.

SECTION 2. COMPENSATION

A. COST OF LIVING INCREASES

Effective the pay period beginning June 18, 2018, employees covered by this Agreement will receive a two percent (2%) cost of living salary increase.

Effective the pay period following July 1, 2018, employees covered by this Agreement will receive a two percent (2%) cost of living salary increase.

Effective the pay period following July 1, 2019, employees covered by this Agreement will receive a two percent (2%) cost of living salary increase.

Effective the pay period following July 1, 2020, employees covered by this Agreement will receive a two percent (2%) cost of living salary increase.

B. ONE-TIME NOT REPORTABLE OFF SALARY SCHEDULE PAYMENT

Employees actively employed as of both June 1, 2018 and the date of the payment set forth below will receive a one-time off-salary schedule payment on or about July 16, 2018. The amount of the one-time payment will be calculated as 2% of the employee's annual base pay (base pay rate as shown on salary table as of June 1, 2018), and pro-rated based on date of hire for those first employed after July 1, 2017. The one-time payment will be included on a regular paycheck and is subject to regular payroll tax withholdings and deductions. This one-time payment is not reportable as compensation for retirement purposes and therefore, not subject to contribution deduction.

C. PENSION COST SHARE

Beginning the pay period following July 1, 2019 and July 1, 2020, employees shall make additional pension "cost sharing" contributions of zero to one percent (0% - 1%) per year or shall receive additional increases to base salary of zero to one percent (0% - 1%) pursuant to the below

cost sharing model. These cost sharing contributions or increases to base pay, if applicable, shall continue beyond the expiration of the MOU and shall constitute the status quo for all purposes until such time as the parties mutually agree to alternative pension contribution arrangements.

For July 1, 2019:

CalPERS projected total employer contribution rate as a percentage of payroll (CalPERS actuarial valuation for miscellaneous plans– June 30, 2016) for fiscal year 2019-2020 is 39.7%. To the extent the actual total employer contribution rate is higher than 39.7%, the employee will contribute a correspondingly increased contribution up to an additional one percent (1%) effective the pay period following July 1, 2019. (For example, if the total contribution rate is actually 40.2%, an employee’s contribution would increase by 0.5% of base pay.) To the extent the actual total employer contribution rate is lower than 39.7%, the employee will receive an additional increase in base pay of up to one percent (1%) effective the pay period following July 1, 2019. (For example, if the total contribution rate is actually 39.2%, employees would receive an increase in base pay of 0.5%.)

For July 1, 2020:

CalPERS projected total employer contribution rate as a percentage of payroll (CalPERS actuarial valuation for miscellaneous plans – June 30, 2016) for fiscal year 2020-2021 is 42.5%. To the extent the actual employer contribution rate is higher than 42.5%, the employee will contribute a correspondingly increased contribution up to an additional one percent (1%) effective the pay period following July 1, 2020. To the extent the actual total employer contribution rate is lower than 42.5%, the employee will receive an additional increase in base pay of up to one percent (1%) effective the pay period following July 1, 2020. The examples provided in subsection (a) above also apply to the 2020 deviations from the projected rate.

The above cost sharing shall be capped as follows:

CLASSIC Miscellaneous Members – Total sum of the employee contribution rate (currently 8%) plus any additional contribution(s) under this provision, shall not exceed 10% by the end of the contract term.

PEPRA Miscellaneous Members – Total sum of the employee contribution rate (“50% of normal cost” as set by CalPERS – currently 6.25%) plus any additional contribution(s) under this provision shall not exceed 8.25% or 50% of the normal cost as established by CalPERS, whichever is higher.

Any cost sharing resulting from this agreement shall be pursuant to Government Code Section 20561.(f).

D. COMPENSATION STUDY

The City agrees to conduct a total compensation study during fiscal year 2019-2020 and will meet with the Individual Management Group to discuss results.

E. LONGEVITY

In recognition of the substantial contribution to the community made by employees as a result of the length of their City service, the City shall award employee the longevity pay indicated below:

Service Term	Longevity Pay
After ten (10) years of service with the City	2.5% increase above base pay
After twenty (20) years of service with the City	Additional 2.5% increase above base pay

The maximum longevity pay is a five percent (5%) increase above the employee's base pay.

Longevity pay shall be included on each eligible employee's bi-weekly payroll. Eligible employees who leave City service and return within two (2) years of separation will receive credit for prior service time. If an eligible employee leaves City service and returns after more than two (2) years of separation prior service time will not be credited.

Longevity pay is earnable special compensation within the meaning of Section 20636 of the California Government Code and Section 571(a)(1) of the CalPERS regulations and/or as defined pensionable compensation in the California Government Code and the CalPERS regulations as amended.

SECTION 3. BENEFITS

A. FLEXIBLE BENEFIT PLAN (CAFETERIA PLAN)

In accordance with "The City of Davis Flexible Benefits Plan" adopted November 21, 2006, the City provides a Flexible Benefit Plan ("the Plan") that qualifies as a cafeteria plan within the meaning of Section 125 of the Internal Revenue Code ("IRC"). The regular and intended effect of the Plan is to enable employees to (a) pay monthly premiums for the health benefits plans offered by the City on a pretax basis or (b) receive a cash out benefit that is not included in the employee's hourly rate. The details of Plan eligibility and operational requirements are set forth in the Plan documents.

The City is a participating employer in the CalPERS Public Employees' Medical and Hospital Care Act ("PEMHCA").

1. All eligible employees must enroll in one of the PEMHCA medical plans unless they submit to the City satisfactory proof of alternative medical insurance coverage.
 - a. Employees who fail to complete this requirement will be enrolled in the lowest cost health insurance policy the City offers through CalPERS.
 - b. Employees who meet the requirement shall be allowed to utilize their Flexible Benefit Plan contributions for any of the other qualified benefits as provided for in IRC Section 125.
2. The term “eligible employee” for this article shall include:
 - a. Regular full-time employees as defined in the Personnel Rules.
 - b. Regular part-time employees as defined in the Personnel Rules. Regular part-time employees receive prorated benefits based on the percentage of full-time equivalency. For example a regular employee budgeted at 30 hours per week will receive 75% of cafeteria benefit.
3. Employees may change their health plan participation only during open enrollment or in response to a qualifying event in accordance with IRS provisions and CalPERS regulations.

B. HEALTH BENEFITS CONTRIBUTION

Effective the plan year beginning January 1, 2018, the City will contribute to each eligible bargaining unit employee’s cafeteria benefit plan \$1,744.26 towards monthly medical premiums. Effective each year thereafter, the City’s contribution towards monthly health care premiums will increase based on actual increases in the health care premium rate for the regional Kaiser plan the City is linked to for employees plus two or more dependents (i.e., family level) as follows: The City will contribute the first three percent (3%) of any increases in health premiums for applicable regional Kaiser area plan for employees plus two or more eligible dependents and will contribute fifty-percent (50%) of any increase that is greater than six percent (6%) in any plan year. This City contribution includes the minimum employer contribution (MEC) pursuant to Government Code Section 22892.

C. PEMHCA

For qualifying regular employees enrolled in a CalPERS PEMHCA medical plan, the City is obligated to pay the minimum employer contribution to CalPERS on behalf of qualifying employees pursuant to the City’s PEMHCA resolution and Government Code section 22892. The City contribution in Section B. above includes the minimum employer contribution.

D. CASH IN-LIEU

Bargaining unit employees with outside health/dental coverage, such as through a spouse, domestic partner, or other acceptable alternative health coverage, and employees who select less expensive benefits within the cafeteria plan, can elect to take the unused portion of their cafeteria contributions allotted for medical and dental benefits as cash in lieu of receiving any or all of the actual benefit. The amount of cash in lieu is capped at five hundred dollars (\$500) per month.

Employees hired before February 28, 2010 may cash out the difference between the monthly premium costs for the health benefits selected and the City's maximum monthly contribution for cash out purposes of \$1,483 up to a maximum of \$500. For example if an employee selects health benefits costing \$1,300 per month, the maximum cash out would be \$183 (i.e., \$1,483.08 - \$1,300 = \$183.08).

Employees hired after February 28, 2010 may only cash out the difference between the monthly premium costs for the health benefit selected and the City's maximum monthly cash out of \$500 per month. For example, if an employee selects health benefits costing more than \$500 per month, the employee would receive no cash out benefit.

E. DENTAL BENEFITS CONTRIBUTION

The City shall contribute towards each bargaining unit employee's cafeteria benefit plan the total monthly premium for the City's self-funded dental plan for employee with two or more dependents. City will continue to include unmarried dependents through age 22.

F. LIFE INSURANCE & LONG-TERM DISABILITY BENEFIT

The City will make available to each covered employee a monthly amount equal to the sum of the following life and long term disability insurance benefit payments. Participation in the life insurance and long term disability insurance is mandatory and these premiums may not be taken as cash in lieu.

1. The City shall contribute towards each MOU member's cafeteria benefit plan the amount to purchase a \$100,000 policy. Purchase of this policy is mandatory.

This policy will carry an accidental death and dismemberment (AD&D) rider. The AD&D rider provides a benefit of up to \$100,000 subject to the terms and conditions of the policy.

2. The City shall provide long term disability (LTD) insurance coverage for all employees. The City shall contribute towards each MOU member's cafeteria benefit plan

the amount to purchase the Long Term Disability Benefit provided in City of Davis Self-Insured Long Term Disability Plan. Purchase of this policy is mandatory.

Current Benefits

Up to 66.67% of the monthly salary. Payments to be paid during the disability until age 65. See City of Davis Self-Insured Long Term Disability Plan passed and adopted by City Council on December 5, 2001.

Waiting Period

Benefits shall begin 30 calendar days after occurrence.

G. OPTIONAL BENEFITS

The City agrees to make available to each covered employee the following optional benefits. Participation in these benefits is optional, and there will be no additional contribution by the City to purchase these benefits.

1. SUPPLEMENTAL LIFE

The City shall make available to all represented employees the option to purchase supplemental term life and accidental death and dismemberment insurance, at no cost to the City, subject to the insurance carrier's additional premiums, conditions and/or requirements. Optional coverage shall be in increments of \$10,000. The option to increase or decrease coverage shall be exercisable during open enrollment periods.

2. FLEXIBLE SPENDING ACCOUNTS

The City provides a Flexible Spending Account ("FSA") into which employees may contribute a portion of their regular earnings to pay for qualified dependent care (Dep Care FSA) and medical expenses (Unreimbursed medical expense FSA) on a pre-tax basis in accordance with IRS regulation. The City shall pay all administrative costs associated with establishing and maintaining flexible spending accounts.

In accordance with IRS regulations, any unused amounts contributed to the FSA are not reimbursed to the employee when the employee fails to submit proof of eligible reimbursable expenses during a calendar year. However, up to five hundred dollars (\$500) of unused amounts remaining at the end of the plan year in an unreimbursed medical expense FSA may be carried over and paid or reimbursed to participating employees for qualified medical expenses incurred during the following plan year. All other unused amounts in an employee's FSA cannot be rolled over to the next calendar year.

3. VISION CARE

City shall continue to make vision care available to the Employees at no cost to the City.

SECTION 4. CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM

Subject to the pension cost sharing provisions in Section 2, the City will provide the following pension benefits with corresponding employee contributions:

A. MISCELLANEOUS EMPLOYEE RETIREMENT

1. The following provisions apply to bargaining unit employees hired into city service on or before December 31, 2012 or otherwise determined to be "Classic" members by CalPERS ("classic members").

1. The City shall continue providing classic members with the CalPERS "2.5% at 55" local retirement plan. Classic members shall contribute a total of eight percent (8%) towards the employee's CalPERS contribution. The City will continue to structure the salary and required employee pension contributions to maximize compensation reported to CalPERS and to take advantage of the federal Internal Revenue Code 414(h)(2) and related CalPERS Board rulings.

2. The following provisions apply to bargaining unit employees hired into city service as "new members" on or after January 1, 2013 ("PEPRA members").

1. The City shall continue providing PEPRA members with the CalPERS "2% at 62" local retirement plan. PEPRA members shall contribute fifty percent (50%) of the normal cost of the benefit as the employee's CalPERS contribution. The City will continue to structure the salary and required employee pension contributions to maximize compensation reported to CalPERS and to take advantage of the federal Internal Revenue Code 414(h)(2) and related CalPERS Board rulings.

B. SICK LEAVE CREDIT

The City shall continue to provide all employees with the CalPERS sick leave conversion benefit pursuant to Section 20965 of the Government Code.

C. 1959 SURVIVOR BENEFITS

The City shall continue to provide all Employees with the CalPERS fourth level 1959 survivors' benefit pursuant to Section 21574 of the Government Code. The City and the Association agree that any additional cost to the City resulting from this benefit shall be paid by the employee.

D. MEDICAL BENEFIT PREMIUMS FOR RETIREES

Retirees are not eligible for any cash in lieu of health benefits.

1. Employees hired before July 1, 1996, who retire after December 31, 2015, but on or before December 31, 2025, will receive the following retiree medical benefit.

a. Employees who retire with at least 25 years of City service or as a result of disability- City shall contribute to eligible retirees an amount equal to 100% of the premium for the group health insurance plan available from Kaiser-Bay Area for retired employees and two or more dependents sponsored by the City through CalPERS. Once the employee has transferred to a Medicare plan, the City will pay the Medicare Supplemented/Managed Medicare monthly rate based on the CalPERS Kaiser Bay Area rate for employee plus two or more dependents.

b. Employees who retire with less than 25 years of City service- City shall contribute to eligible retirees an amount equal to 75% of the premium for the group health insurance plan available from Kaiser-Bay Area for retired employees and two or more dependents sponsored by the City through CalPERS. Once the employee has transferred to a Medicare plan, the City will pay the Medicare Supplemented/ Managed Medicare monthly rate based on the CalPERS Kaiser Bay Area rate for employee plus two or more dependents.

2. Employees hired on or after July 1, 1996, but before December 31, 2012, who retire after December 31, 2015, but on or before December 31, 2025, will receive the following retiree medical benefit.

a. Employees who retire with at least 25 years of City service or as a result of disability- City shall contribute to eligible retirees an amount equal to 50% of the premium for the group health insurance plan available from Kaiser-Bay Area for retired employees and two or more dependents sponsored by the City through CalPERS until age 60. After age 60, employee will receive a retiree medical benefit based on 100% of the CalPERS Kaiser Bay Area rate for employee plus two or more dependents. Once the employee has transferred to a Medicare plan, the City will pay the Medicare Supplemented/Managed Medicare monthly rate based on the CalPERS Kaiser Bay Area rate for employee plus two or more dependents.

b. Employees who retire with less than 25 years of City service- City shall contribute to eligible retirees an amount equal to 50% of the premium for the group health insurance plan available from Kaiser-Bay Area for retired employees and two or more dependents sponsored by the City through CalPERS until age 60. After age 60, employees will

receive a retiree medical benefit based on 75% of the CalPERS Kaiser Bay Area rate for employee plus two or more dependents. Once the employee has transferred to a Medicare plan, the City will pay the Medicare Supplemented/Managed Medicare monthly rate based on the CalPERS Kaiser Bay Area rate for employee plus two or more dependents.

3. Employees hired before July 1, 1996, who retire after December 31, 2025, will receive the following retiree medical benefit.

a. City shall contribute to eligible retirees an amount equal to 75% of the premium for the group health insurance plan available from Kaiser-Bay Area for retired employees and two or more dependents sponsored by the City through CalPERS. Once the employee has transferred to a Medicare plan, the City will pay the Medicare Supplemented/Managed Medicare monthly rate based on the CalPERS Kaiser Bay Area rate for employee plus two or more dependents.

4. Employees hired on or after July 1, 1996, but before December 31, 2012, who retire after December 31, 2025, will receive the following retiree medical benefit.

a. City shall contribute to eligible retirees an amount equal to 50% of the premium for the group health insurance plan available from Kaiser-Bay Area for retired employees and two or more dependents sponsored by the City through CalPERS until age 60. After age 60, employee will receive a retiree medical benefit based on 75% of the CalPERS Kaiser Bay Area rate for employee plus two or more dependents. Once the employee has transferred to a Medicare plan, the City will pay the Medicare Supplemented/Managed Medicare Monthly rate based on the CalPERS Kaiser Bay Area rate for employee plus two or more dependents.

5. Employees hired on or after January 1, 2013- City shall contribute to eligible retirees an amount equal to the Medicare Supplemented/Managed Medicare monthly rate based on the CalPERS Kaiser Bay Area rate for employee plus one dependent based on status.

6. PEMHCA - Pursuant to PEMHCA and relevant PERS regulations, a retired employee will qualify for retiree medical benefits if his or her retirement from the City is effective within 120 days of his or her separation from employment with the City and the retired employee receives a retirement allowance from CalPERS resulting from his or her service with the City (Annuitant). Annuitants are eligible to continue health coverage under PEMHCA. An Annuitant will receive the PEMHCA minimum contribution regardless of retirement date.

a. All contributions shall be made pursuant to the City's PEMHCA resolution and Government Code section 22892. All contributions referenced in Section D. include the minimum contribution.

- b. All City contributions in excess of the minimum employer contribution shall be done on a reimbursement basis pursuant to IRS regulations.

7. Despite any contrary regional references elsewhere in this Section, for all employees who retire after January 1, 2018, the amount of contribution from the City referenced throughout Section H. shall be based on CalPERS Kaiser rate for the region in which the City is assigned (currently Kaiser Sacramento region) rather than Kaiser Bay Area.

E. **DENTAL BENEFITS FOR RETIREES**

City shall make the dental plan available for retirees to continue at their own expense, at the same total monthly premium for the group dental insurance plan sponsored by the City for an eligible employee and two or more dependents.

SECTION 5. DEFERRED COMPENSATION.

City agrees to continue the contract with the International City Managers Association (ICMA) and CalPERS for deferred compensation programs entitling employees to defer receipt of a portion of their salary until retirement or other time jointly agreed upon by individual employees and ICMA or CalPERS. Nothing contained herein shall obligate City to make any contributions on behalf of employees.

City may choose to offer other deferred compensation plans as an alternative to ICMA. To the extent offered by the City, employees may voluntarily elect to contribute to the options available.

SECTION 6. LEAVES AND ATTENDANCE.

City agrees employees will earn the following paid leave time as specified:

A. **VACATION LEAVE**

The purpose of an annual vacation leave is to enable each employee to have a period of time to use as they desire, to rest and relax, and to return to their work mentally refreshed.

1. For any given contract year under this Agreement, an individual employee may decline to accept up to 40 hours of vacation accrual, by written request to the City Manager.
2. Employees shall earn vacation leave during each calendar year according to the following schedule, unless they have declined to accept the vacation accrual, as provided in this section:

Years of Employment	Vacation Days Earned Per Year
1-3	15
4-5	17
6-10	20
11	23
12	24
13	25
14	26
15	27
16+	28

3. The number of days earned per year shall be prorated and accrued on a bi-weekly basis. Employees shall not vest vacation leave until it is actually accrued.
4. The times during a calendar year at which an employee may take their vacation shall be determined by the department head and the City Manager with due regard for the wishes of the employee, and with particular regard for the needs of the service. If the requirements of the service are such that an employee cannot take part or all of their annual vacation in a particular calendar year, such vacation shall be taken during the following calendar year.
5. Any employee, with the consent of the department head and the City Manager, may defer as many working days of their annual vacation as they accumulate during a given year to the succeeding calendar year.
6. In the event one or more municipal holidays occur within an annual vacation leave, such holidays shall not be charged as vacation leave, but shall be charged as holiday leave.
7. Employees who terminate employment shall be paid in a lump sum for all accrued, unused vacation leave earned prior to the effective date of termination.

B. MANAGEMENT LEAVE

The purpose of management leave is to partially compensate each employee for the extra time that such employee is required to devote to City business outside of normal duty hours. Employees receive no other compensation for the extra time that they devote to City business and, as such, are entitled to management leave with pay.

1. Employees shall be credited with ten (10) working days (i.e., eighty (80) hours) of management leave each calendar year, which shall be prorated and accrued on a bi-weekly basis.

2. The employee shall not vest management leave time until it is actually accrued.
3. Any employee, with the consent of the department head and the City Manager, may defer as many working days of their annual management leave as they accumulate during any given year to the succeeding calendar year.
4. The policy statements contained in this exhibit regarding the time during the calendar year at which an employee may take their vacation leave, the effect of holidays on this leave, and payment for this leave upon termination of employment, shall also apply to management leave.

C. CASH-OUT OF VACATION/MANAGEMENT LEAVE

1. Employees are encouraged to take their vacation and management leaves off with pay.
2. Employees are able to cash-out up to forty (40) hours of vacation as long as: (1) the employee has at least ten (10) years of service with the City, and (2) the employee has a minimum of one (1) year of accrued vacation on the books.
3. Employees are able to cash out up to one-hundred (100) percent of the management leave accrued in one year.
4. In compliance with IRS regulations, employees must make an irrevocable election to receive a cash payment of vacation leave and/or management leave hours prior to accruing those hours. Employees must submit an irrevocable election form to Human Resources no later than December 31st of the year prior to the year in which the vacation and/or management leave will be accrued and cashed-out. An employee may elect to apportion the hours between no more than two (2) pay periods per year, limited to the amount of vacation and/or management leave accrued as of the time of the cash-out. For example, an employee accruing eighty (80) hours of management leave per year accrues at a rate of 3.0769 hours per pay period. It will take this employee seven (7) pay periods to accrue twenty (20) hours sought to be cashed out. Therefore, the employee could not receive a cash payment for twenty (20) hours until the eighth pay period of the year.

D. SICK LEAVE

Sick leave shall not be considered as a right to be used at the employee's discretion, but shall be allowed only in case of necessity and actual personal illness or disability in accordance with the Personnel Rules and Regulations adopted September 13, 2000 and as subsequently amended.

1. Sick leave shall be earned at the rate of eight (8) hours for each calendar month of service.

Regular part-time employees who work in a position budgeted for less than full-time, but more than 1,040 hours per year, shall be credited sick leave on a prorated basis. For example, part-time employees regularly scheduled to work twenty (20) hours per week accrue at a rate equal to four (4) hours for each calendar month of service.

2. In order to receive compensation while absent on sick leave, the employee shall notify his or her immediate supervisor or other appropriate department person at least one (1) hour before the time set for beginning the daily duties, or as may be specified by the department head.
3. In situations where, in the City's discretion, circumstances indicate potential sick leave fraud or abuse, the City reserves the right to require medical certification of absences attributed to sick leave.

However, nothing in this provision shall be construed that any employee waives any right of privacy guaranteed under state and/or federal law.

4. In addition to the uses currently permitted in the City's Personnel Rules, Sick Leave may be used in accordance with California's Paid Sick Leave law, as it may from time to time be amended. Under current law, an employee may use paid sick leave for one of the following reasons:
 - For the employee's own diagnosis, care, or treatment of an existing health condition or preventative care.
 - For the diagnosis, care, or treatment of an existing health condition or preventative care for an employee's family member, including:
 - Spouse or Registered Domestic Partner.
 - Child (including a biological, adopted, or foster child, stepchild, legal ward, or,
 - Parent (including biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child.)
 - Grandparent.
 - Grandchild.
 - Sibling.

Sick Leave may be used to obtain any relief or services related to being a victim of domestic violence, sexual assault, or stalking including the following with appropriate certification of the need for such services:

- A temporary restraining order or restraining order.
- Other injunctive relief to help ensure the health, safety or welfare of themselves or

- their children.
- To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking.
 - To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking.
 - To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking.
 - To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.
4. Accrued sick leave has no cash value or value other than as wage replacement during a qualifying absence. No payment shall be made for unused sick leave at termination of employment whether voluntary or involuntary, except that upon retirement under CalPERS, unused sick leave shall be treated as additional time in service for the purpose of computing retirement benefits.

E. MILITARY LEAVE

Military leave shall be granted in accordance with the provisions of state law. All employees entitled to military leave shall give the City Manager an opportunity within the limits of military regulations to determine when such leave shall be taken.

F. LEAVE OF ABSENCE WITHOUT PAY

Except as otherwise required by law, the City Manager may grant an employee leave of absence without pay or seniority for not to exceed twelve (12) months in any 12 month period. No such leave shall be granted except upon written request of the employee, setting forth the reason for the request, and the approval will be in writing. Upon expiration of a regularly approved leave or within a reasonable period of time after notice to return to duty, the employee shall be reinstated in the position held at the time it was granted. Failure on the part of an employee on leave to report at its expiration or within a reasonable time after notice to return to duty shall be cause for discharge.

Department heads may grant an employee leave of absence without pay for not to exceed one (1) calendar week. Such leave shall be reported to the City Manager.

G. JURY LEAVE

Every employee who is called or required to serve as a trial juror shall be entitled to be absent from their duties with the City during the period of such service or while necessarily being present in court as a result of such call. Under such circumstances, the Employee shall be paid

the difference between their full salary and any payment they receive, except travel pay, for such duty.

H. BEREAVEMENT LEAVE

Upon the death of a family member (as defined within Subsection D), employees may use up to three standard days (24 hours) of paid bereavement leave per calendar year. Such leave does not accrue, has no cash value, does not accumulate over time. If such loss requires additional time from work or the employee suffers more than one loss with the year, an employee may be approved to use sick leave for purposes of grieving and travel to and from memorial services. Such additional time may require documented verification of loss. If an employee requires time to address the business or personal affairs as a result of such loss, the employee may request approval to use vacation or management leave with appropriate notice and coordination with operational needs.

I. YEAR END VOLUNTARY TIME OFF.

The week between Christmas and New Year's, all employees are encouraged to take vacation. It is understood there are employees involved in essential operations who may not be able to take time this time off. If an employee takes leave without pay, the City agrees (for this purpose only) to waive the provision of the Personnel Rules that provide in order to receive pay for an observed holiday, an employee must work or be on approved leave on the work day before and work day after the holiday, and not to adjust or reduce health, dental, life insurance benefits, leave time accruals or seniority for the period the employee is on leave without pay. Only the employee's pay will be adjusted.

J. PARENTAL LEAVE.

City's Parental Leave Policy shall remain in effect. City and Employees agree to meet and confer regarding any proposed modifications to the Parental Leave Policy during the term of this MOU.

K. ATTENDANCE

Employees shall be in attendance at their work in accordance with the rules regarding hours of work, holidays, and leaves. Failure on the part of an employee, absent without leave, to return to duty within twenty-four (24) hours after notice to return shall be cause for immediate discharge

SECTION 7. HOLIDAYS.

A. Employees will get paid holidays off as follows:

1. The holidays observed by the City are:

- a. January 1; the third Monday in January; the third Monday in February; the last Monday in May; July 4; the first Monday in September; November 11; Thanksgiving Day; the day after Thanksgiving Day; December 24; December 25; December 31; and every day proclaimed by the mayor of the City of Davis upon approval of the City Council as a public holiday (however, in no case, shall the City of Davis observe the same holiday on more than one day).
2. Whenever a holiday falls on a Sunday, the following Monday shall be observed as a holiday in which case the Sunday shall not be considered a holiday for any purpose.
3. Whenever a holiday falls on a Saturday, the preceding Friday shall be considered as a holiday in which case the Saturday shall not be considered a holiday for any purpose.
4. Whenever the application of sections 2 and 3 above result in a holiday falling on another holiday, employees will be credited with eight (8) hours vacation time on the first pay period following the holiday.
5. Employees whose regular work day normally consists of more than eight (8) hours shall not be entitled to more than eight (8) hours of holiday.
6. City shall continue to grant two and one-half days floating holidays in lieu of California Admission Day, Lincoln's Birthday holiday and from 1:00 p.m. to 5:00 p.m. Good Friday. Floating holidays shall accrue like vacation time and City policy regarding vacation leave shall apply.

SECTION 8. UNIFORM REPLACEMENT & CLEANING ALLOWANCE.

City agrees to pay the uniform replacement and the uniform cleaning allowance, equal to that allowed by the Davis Police Officers Association MOU, to the Non-sworn (Civilian) Manager(s) assigned to police, and any other Police management employee who may be required to wear a uniform during the performance of their duties. The uniform replacement and the uniform cleaning allowance will be paid on the schedule adopted by the Davis Police Officers Association. The current amount and schedule is as follows:

- A. Purchase Allowance: New civilian employees required to wear a uniform by the Police Chief will be provided five hundred dollars (\$500) for the purchase of uniforms and equipment. These uniforms and equipment are to be considered personal property. It is the responsibility of the employee to obtain and maintain these items. Eligible items are those specified in the department regulations.
- B. Replacement: The City agrees to provide uniform replacement allowance for each eligible

civilian employee who is required by the Police Chief to wear a uniform of four hundred dollars (\$400.00) per fiscal year for the cost of replacement and maintenance. Eligible items are those specified in Departmental Regulations. Employees shall begin receiving the replacement allowance on the next regular replacement allowance disbursement date following completion of at least one (1) year of service. One-half of the uniform replacement allowance will be paid during a pay period in July and one-half of the uniform replacement allowance will be paid during a pay period in January. The City retains the discretion to prorate allowance payments to any employee who has not been on duty for an extended period due to leave or other similar circumstance.

C. Cleaning Allowance: The City agrees to pay employees who are required to wear a uniform one hundred fifty dollars (\$150) per fiscal year as a “uniform cleaning allowance” to be used for the specific and limited purpose of having cleaned and otherwise maintained those items of uniform the City requires them to wear during the performance of their assigned duties. City

agrees to pay eligible employees one-fourth (1/4) of the uniform cleaning allowance at the end of each quarter during each fiscal year.

D. For CalPERS Classic members, uniform purchase, replacement and cleaning allowances are considered special compensation and will be reported to CalPERS each pay period on a prorated basis.

SECTION 9. LAYOFFS

In the event of layoffs, City shall endeavor to provide as much notice as reasonably practicable to affected employees attempting to do the best for employees realizing it takes as much as four to six months to find a new position.

SECTION 10. DIRECT DEPOSIT.

City shall continue to offer Direct Deposit service to those employees who request it.

SECTION 11. AB 119 COMPLIANCE

This provision applies to all new employees hired into General Management Group bargaining unit positions and is intended to comply with the provisions of AB119.

A. The City will provide the General Management Group with not less than ten (10) calendar days’ advance written notice of the time, date and location of all new employee orientation meetings, unless an urgent and unforeseeable need for a new employee orientation meeting precludes the City from providing the General Management Group with ten (10) calendar days’ advance notice. The advance notice will include the number of General Management Group employees attending the orientation meetings. The City will make

reasonable effort to comply with the 10-day advanced notice, however, in the event that a candidate completes the pre-employment process and is then scheduled to begin work sooner than 10 days from being cleared to start, notice will be provided as soon as reasonably possible. Notice will be made by way of email to a contact person of the General Management Group's choice.

B. The General Management Group will be given up to thirty (30) minutes as part of the new employee orientation meetings to present membership information to employees in the General Management Group. No more than two (2) General Management Group representatives may present information to the new employees. City Human Resources representatives shall excuse themselves and not be present during the General Management Group portion of the new employee orientation meetings.

C. The General Management Group representatives who will present information at the new employee orientation meetings may do so while on duty and in uniform, provided the Association advises the Human Resources Director of the names of the employees who will be presenting information on behalf of the General Management Group at the new employee orientation meetings.

D. The above provisions shall in no way impact or delay the hire of any employee.

E. Information Requirements – The City will provide the General Management Group with a digital file via email to the email address designated by the General Management Group containing the following information for each employee to the extent the City has the information on file:

- Name
- Job title
- Work location
- Personal telephone number (may be home or cellular as provided by employee)
- Home address
- Personal email addresses on file with the City (new hires only)

F. The above information will be provided as follows:
For new hires, at the end of each month.
Regularly for all bargaining unit employees each one hundred twenty (120) calendar days.

SECTION 12. OTHER TERMS AND CONDITIONS.

During the term of the MOU, the provisions herein shall govern the wages, hours, benefits, and working conditions of employees covered by this MOU. Except as otherwise provided herein,

neither party hereto shall be required to meet and confer upon matters set forth in this MOU, except that the parties may meet and confer during the term of this MOU on any matter within the scope of representation where (1) the matter is not covered by the MOU or was not expressly raised as an issue during the meeting and conferring process by which this MOU arose; and (2) there has arisen a significant change in circumstances with respect to such matter, which could not have reasonably been anticipated by both parties at the time they signed this MOU.

City and employees agree that meet and confer sessions pertaining to a successor MOU shall be commenced as soon as possible after the request of either party made after January 1, 2021, with the mutual intent of ratifying such Agreement prior to June 30, 2021.

SECTION 13. COVENANT OF GOOD FAITH AND FAIR DEALING.

Neither party shall do anything which shall have the effect of harming or injuring the other party to receive the benefits of this MOU; each party shall refrain from doing anything which would render its performance under this MOU impossible; and, each party shall do everything which this MOU contemplates to accomplish the purposes and objectives of this MOU.

SECTION 14. COPIES OF AGREEMENT.

City shall provide Management Group with one fully executed copy of this MOU (including a conformed copy of the authorizing resolution) within five (5) days from ratification by the City Council.

SECTION 15. TERM

The term of this Memorandum of Understanding shall be July 1, 2017, and shall remain in effect to, and including, June 30, 2021.

SECTION 16. EFFECTIVE DATE OF CHANGES.


There are no retroactive economic provisions associated with this MOU. Except as otherwise specified, this agreement is effective July 1, 2017, however all economic and benefit changes will take place after adoption of this MOU or as specified in the MOU.

SECTION 17. PERSONNEL RULES AND HANDBOOK

The City and General Management Group agree to meet and confer during the term of the agreement regarding updates and revisions to the Personnel Rules or Employee Policy Handbook.

DATED: June 20, 2018

EMPLOYEE RELATIONS OFFICER OF THE
CITY OF DAVIS

By: 
Michael Webb

APPENDIX A

ACCOUNTANT I/II
ACCOUNTING & FISCAL ANALYST I/II
ADMINISTRATIVE ANALYST I/II
ASSISTANT CHIEF BLDG OFFICIAL
CONSTRUCTION MANAGER
DEPUTY INNOVATION OFFICER
ENVIRONMENTAL RESOURCES
MANAGER
FACILITIES MANAGER
FINANCIAL SERVICES MANAGER
FLEET MANAGER
HUMAN RESOURCES ANALYST I/II
MEDIA & COMMUNICATIONS OFFICER
OPEN SPACE LANDS MANAGER
PARKS/GEN SRVS SUPERINTENDENT
PLANNER
POLICE INTELLIGENCE RES MANAGER
PRINCIPAL CIVIL ENGINEER
PRINCIPAL PLANNER
PROPERTY MANAGEMENT
COORDINATOR
PUBLIC RELATIONS MANAGER I/II
PW ADMINSTRATIVE MANAGER
RECORDS AND COMMUNICATIONS
MGR
SENIOR CIVIL ENGINEER .
SR TRANSPORTATION PLANNER
SUSTAINABILITY PROGRAMS COORD
TECHNICAL SERVICES MANAGER
TRANSPORTATION PLANNER
URBAN FOREST MANAGER
WATER DIVISION MANAGER
WASTEWATER DIVISION MANAGER

ABBANAT	BRIAN	<i>Brian Abbanat</i>
ALEXANDER	JOHN	<i>John Alexander</i>
BENSCH	CHRISTOPHER	<i>Christopher Bensch</i>
BOWEN	ROBERT	<i>Robert M. Bowen</i>
BRUTON	KELLIE	<i>Kellie Bruton</i>
CAIN	ROBERT	<i>Robert Cain</i>
CAMACHO	CATHY	<i>Cathy Camacho</i>
CARIGLIO	JENNIFER	<i>Jennifer Cariglio</i>
CATTANEO	DAVID	<i>David Cattaneo</i>
DAVIS	MICHAEL	<i>Michael Davis</i>
DAY	PAMELA	<i>Pamela Day</i>
DEUSENBERRY	MATTHEW	<i>Matthew Deuseberry</i>
DYER	CARRIE	<i>Carrie Dyer</i>
EASTWOOD	ALEXIS	<i>Alexis Eastwood</i>
FONG	KEVIN	<i>Kevin Fong</i>
FONG	LESLIE	<i>Leslie Fong</i>
GARDNER	CHRISTOPHER	<i>Christopher Gardner</i>
GONZALEZ	BRADLEY	<i>Bradley Gonzalez</i>
HARTSOUGH	RACHEL	<i>Rachel Hartsough</i>
HASHIMOTO	GINGER	<i>Ginger Hashimoto</i>
HEINIG	ADRIENNE	<i>Adrienne Heinig</i>
JONES	MARTIN	<i>Martin Jones</i>
LEE	ERIC	<i>Eric Lee</i>
LYON	JEAN	<i>Jean Lyon</i>
MACHADO	DEANNE	<i>Deanne Machado</i>
MCINTIRE	KATHARINE	<i>Katharine McIntire</i>
MITCHELL	MICHAEL	<i>Michael Mitchell</i>

NJOKU	IKE	<i>Ike Njoku</i>
OAM	SYDNEY	<i>Sydney OAM</i>
REYNOLDS	TRACIE	<i>Tracie Reynolds</i>
ROTTEVEEL	MARC	<i>Marc Rotteveel</i>
SCOTT	TIMOTHY	<i>Timothy Scott</i>
SEARS	PAUL	<i>Paul Sears</i>
STONE	GLEN	<i>Glen Stone</i>
TSAI	RICHARD	<i>Richard Tsai</i>
VANG	NOU	<i>Nou Vang</i>
WINTON	STACEY	<i>Stacey Winton</i>
WOLCOTT	ROBERT	<i>Robert Wolcott</i>
WORLEY	SARAH	<i>Sarah Worley</i>

MEMORANDUM OF UNDERSTANDING

Between

INDIVIDUAL SWORN POLICE MANAGERS

and

THE CITY OF DAVIS

July 1, 2017, through June 30, 2019

This Memorandum of Understanding, hereinafter referred to as "MOU", is made and entered into between the EMPLOYEE RELATIONS OFFICER OF THE CITY OF DAVIS, hereinafter referred to as "CITY", and the INDIVIDUAL SWORN POLICE MANAGERS (hereinafter referred to as "EMPLOYEES"), pursuant to California Government Code sections 3500 et seq., and the City of Davis Resolution No. 1303, Series 1973, dated June 26, 1973.

The parties have met and conferred in good faith regarding employment terms and conditions of the Employees and having reached agreement on changes to be made in employment benefits and conditions for a period commencing **July 1, 2017, and ending June 30, 2019**, as hereinafter set forth, shall submit this MOU to the City Council with the joint recommendation that the Council resolve to adopt its terms and conditions and take such other and/or additional action as may be necessary to implement its provisions.

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SECTION 1. EMPLOYEE GROUP

The following Sworn Police Management positions are part of this group:

Assistant Police Chief
Deputy Police Chief
Police Lieutenant

The Assistant Police Chief is an at-will position, meaning an employee in that rank can be terminated at any time, with or without cause, by either the Employee or the City. Other positions below the rank of the Assistant Police Chief have property rights in their employment and may only be terminated or disciplined for cause.

SECTION 2. COMPENSATION

A. SALARY

The base pay increases for employees covered by this MOU shall be as follows:

1. Effective the first full pay-period following July 1, 2017, the pay scales for all employees will be increased by two percent (2%).
2. Effective the first full pay-period following July 1, 2018, the pay scales for all employees will be increased by two percent (2%).

SECTION 3. BENEFITS

A. FLEXIBLE BENEFIT PLAN (CAFETERIA PLAN)

In accordance with "The City of Davis Flexible Benefits Plan" adopted November 21, 2006, the City provides a 125 Flexible Benefit Plan ("the Plan") that qualifies as a cafeteria plan within the meaning of Section 125 of the Internal Revenue Code ("IRC"). The regular and intended effect of the Plan is to enable employees to (a) pay monthly premiums for the health benefit plans offered by the City on a pretax basis or (b) receive a cash out benefit that is not included in the employee's base pay. The details of Plan eligibility and operational requirements are set forth in the Plan documents.

The City is a participating employer in the CalPERS Public Employees' Medical and Hospital Care Act ("PEMHCA") pursuant to the City's PEMHCA resolution and Government Code section 22892.

1. All eligible employees must enroll in one of the PEMHCA medical plans unless they submit to the City satisfactory proof of alternative medical insurance coverage as referenced below in the information section.
 - a. Employees who fail to complete this requirement will be enrolled in the lowest cost health insurance policy the City offers through CalPERS.

- b. Employees who meet the requirement shall be allowed to utilize their Flexible Benefit Plan contributions for any of the other qualified benefits as provided for in IRC Section 125.
2. The term "eligible employee" for this section includes:
 - a. Regular full-time employees as defined in the Personnel Rules.
 - b. Regular part-time employees as defined in the Personnel Rules. Regular part-time employees who work less than thirty (30) hours per week on average receive prorated benefits based on the percentage of full-time equivalency.
 3. Employees may change their health plan participation only during open enrollment or in response to a qualifying event.

B. HEALTH BENEFITS CONTRIBUTION

Effective the plan year beginning January 1, 2018, the City will contribute to each eligible bargaining unit employee's cafeteria benefit plan \$1,744.26 towards monthly health premiums. Each year thereafter, the City's contribution towards monthly health care premiums will increase based on actual increases in the health care premium rate for the regional Kaiser plan the City is linked to for employee plus two or more dependent level (i.e., family level) as follows: the City will contribute the first three percent (3%) of any increases in health premiums for applicable regional Kaiser area plan at the family level and will contribute fifty-percent (50%) of any increase that is greater than six percent (6%) in any plan year.

C. PEMHCA

For qualifying regular full time employees enrolled in a CalPERS PEMHCA medical plan, the City is obligated to pay the minimum employer contribution to CalPERS on behalf of qualifying employees pursuant to the City's PEMHCA resolution and Government Code section 22892. The City contribution in Section 3.B. above includes the minimum employer contribution.

D. CASH-IN-LIEU

Bargaining unit employees with outside health/dental coverage, such as through a spouse, domestic partner, or other acceptable alternate health coverage, and employees who select less expensive benefits within the cafeteria plan, can elect to take the unused portion of their cafeteria contributions allocated for medical and dental benefits as cash in lieu of receiving any or all of the actual benefit. The amount of cash in lieu is capped at five hundred dollars (\$500) per month.

Bargaining unit employees hired before August 9, 2010, may cash-out the difference between the monthly premium costs for the health benefits selected and the City's maximum monthly contribution for cash out purposes of \$1,483 up to a maximum of \$500. For example, if an employee selects health benefits costing \$1,300 per month, the maximum cash out would be \$183 (e.g., \$1,483.08-\$1,300 = \$183.08).

Bargaining unit employees hired after August 9, 2010, may only cash out the difference between the monthly premium costs for the health benefits selected and a maximum of \$500 per month. For example, if an employee selects health benefits costing more than \$500 per month, the employee would receive no cash out benefit.

E. DENTAL BENEFITS CONTRIBUTION

The City shall contribute to each employee's cafeteria benefit plan the total monthly premium for the City's self-funded dental plan for employee with two (2) or more dependents. The City will continue to include unmarried dependents through age 22. Electing dental coverage is optional.

F. LIFE INSURANCE & LONG TERM DISABILITY BENEFIT

The City will make available to each covered employee a monthly amount equal to the sum of the following life and long term disability insurance benefit payments. Participation in the life insurance and long term disability insurance is mandatory and these premiums may not be taken as cash in-lieu.

1. The City shall contribute towards each Employee's cafeteria benefit plan the amount to purchase a one-hundred thousand dollar (\$100,000.00) policy.
 - a. This policy will carry an accidental death and dismemberment ("AD&D") rider. The AD&D rider provides a benefit of up to one-hundred thousand dollars (\$100,000.00) subject to the terms and conditions of the policy.
2. The City shall provide long term disability ("LTD") insurance coverage for all employees. The City shall contribute towards each employee's cafeteria benefit plan the amount to purchase the LTD Benefit provided in City of Davis Self-Insured LTD Plan.
 - a. Current Benefits: Up to sixty-six and two-thirds percent (66 2/3%) of the monthly salary. Payments to be paid during the disability until age sixty-five (65). See City of Davis Self-Insured LTD Plan passed and adopted by City Council on December 5, 2001.
 - b. Waiting Period: Benefits shall begin thirty (30) calendar days after occurrence.
3. The City will continue to provide its existing long term disability program. During the term of this MOU, the City shall pay the entire premium or cost for said coverage.

G. OPTIONAL BENEFITS

The City agrees to make available to each covered employee the following optional benefits. Participation in these benefits is optional, and there will be no additional contribution by the City to purchase these benefits.

1. Supplemental Life: The City shall make available to all employees the option to purchase supplemental term life and accidental death and dismemberment insurance, at no cost to

the City, subject to the insurance carrier's additional premiums, conditions and/or requirements. Optional coverage shall be in increments of ten thousand dollars (\$10,000.00). The option to increase or decrease coverage shall be exercisable during open enrollment periods.

2. Flexible Spending Accounts: The City provides a Flexible Spending Account ("FSA") into which employees may contribute a portion of their regular earnings to pay for qualified dependent care or medical expenses on a pre-tax basis in accordance with IRS regulations. The City shall pay all administrative costs associated with establishing and maintaining FSAs.

In accordance with IRS regulations, any unused amounts contributed to the unreimbursed medical FSA are not reimbursed to the employee when the employee fails to submit proof of eligible reimbursable expenses during a calendar year. However, up to five hundred dollars (\$500) of unused amounts remaining at the end of a plan year in a medical FSA may be reimbursed to participating employees for qualified medical expenses incurred during the following plan year. All other unused amounts in an employee's FSA cannot be rolled over to the next calendar year.

3. Vision Care: City shall continue to make vision care coverage available to employees, at no cost to the City.

SECTION 4. PERS RETIREMENT SYSTEM.

A. SWORN (SAFETY) EMPLOYEE RETIREMENT

1. Retirement Plan for Employees Hired On or Before December 31, 2012 and Classic Members as Defined by CalPERS

Employees hired on or before December 31, 2012, or otherwise determined to be "Classic" members by CalPERS, shall receive the 3% at 50 retirement benefit. For purposes of determining a retirement benefit, final compensation for employees covered by Section 4.A.1 shall mean the single highest year of pensionable compensation.

Each employee covered by Section 4.A.1 shall pay through payroll deduction 100% of the required bargaining unit member contribution, which is nine percent (9%).

Effective upon approval of the contract amendment by CalPERS, employees covered by Section 4.A.1 shall pay, through payroll deduction, the 100% of the nine percent (9%) member contribution plus an additional three percent (3%) of PERSable compensation for a total contribution of twelve percent (12%) toward the cost of pension benefits as permitted by Government Code Section 20516. The parties acknowledge that CalPERS mandates an election of unit members, separate from ratification of this Agreement, to provide for this cost sharing pursuant to Government Code Section 20516. As soon as practicable after the effective date of this Agreement, the City will initiate the contract amendment process. Upon approval and agreement from the bargaining unit and completion of the City's amendment to the CalPERS contract, employee contributions

will be made pursuant to Government Code Section 20516, Employee Cost Sharing of Additional Benefits. Notwithstanding the above, the above referenced three (3%) cost sharing shall continue outside of a CalPERS contract amendment as authorized by Government Code Section 20516(f), and shall extend beyond the expiration of this MOU. Employees and the City will take all actions necessary to implement the pension cost sharing agreement described in Section 4.A.1.

2. Retirement Plan for Employees Hired On or After January 1, 2013, Who Are Not Classic Members

Employees hired on or after January 1, 2013, who are new members, as defined by CalPERS, shall receive the 2.7% at 57 retirement benefit.

For purposes of determining a retirement benefit, final compensation for unit members covered by Section 4.A.2 shall mean the highest annual average pensionable compensation earned during thirty-six (36) consecutive months of service.

As required by Government Code § 7522.04(g), employees covered by Section 4.A.2 shall pay, through payroll deductions, fifty percent (50%) of total normal cost of their retirement plan as determined annually by CalPERS.

3. The City will continue to structure the employee pay and required employee pension contributions to maximize compensation reported to CalPERS and to take advantage of the federal Internal Revenue Code section 414(h)(2) and related CalPERS Board rulings.

B. SICK LEAVE CREDIT

The CITY shall continue to provide all employees with the CalPERS sick leave conversion benefit pursuant to Section 20965 of the Government Code.

C. 1959 SURVIVOR BENEFIT

The City shall continue to provide all employees with the CalPERS fourth level 1959 survivors' benefit pursuant to Section 21574 of the Government Code. Any additional cost to the City resulting from this benefit shall be paid by the employee.

D. MEDICAL BENEFIT PREMIUMS FOR RETIREES

Retirees are not eligible for any cash in lieu of health benefits. "Retire" includes both service and disability retirement.

1. Employees who retire from the City on or before December 31, 2015, will receive the following retiree medical benefit.
 - a. Sworn employees – The City shall continue to contribute to eligible retirees an amount equal to one hundred percent (100%) of the premium for the group health insurance plan

available from Kaiser-Bay Area for retired employees and two (2) or more dependents sponsored by the City through CalPERS.

2. Employees who retire after December 31, 2015, but on or before December 31, 2025, will receive the following retiree medical benefit.
 - a. Sworn employees who retire with at least twenty (20) years of City service or as a result of disability – the City shall contribute to eligible retirees an amount equal to one hundred percent (100%) of the premium for the group health insurance plan available from the Kaiser-Bay Area for retired employees and two (2) or more dependents sponsored by the City through CalPERS. Once the employee has transferred to a Medicare plan, the City will pay the Medicare Supplemented/Managed Medicare monthly rate based on the CalPERS Kaiser Bay Area rate for employee plus two (2) or more dependents.
 - b. Sworn employees who retire with less than twenty (20) years of City service or as a result of disability – the City shall contribute to eligible retirees an amount equal to seventy-five percent (75%) of the premium for the group health insurance plan available from Kaiser-Bay Area for retired employees and two (2) or more dependents sponsored by the City through CalPERS. Once the employee has transferred to a Medicare plan, the City will pay the Medicare Supplemented/Managed Medicare monthly rate based on the CalPERS Kaiser Bay Area rate for employee plus two (2) or more dependents.
3. Employees hired prior to January 1, 2013, who retire after December 31, 2025, will receive the following retiree medical benefit. “Retire” includes both service and disability retirement.
 - a. The City shall contribute to eligible retirees an amount equal to seventy-five percent (75%) of the premium for the group health insurance plan available from the Kaiser-Bay Area for retired employees and two (2) or more dependents sponsored by the City through CalPERS. Once the employee has transferred to a Medicare plan, the City will pay the Medicare Supplemented/Managed Medicare monthly rate based on the CalPERS Kaiser Bay Area rate for Employee plus two (2) or more dependents.
4. Employees hired on or after January 1, 2013, who retire for service or disability – The City shall contribute to eligible retirees an amount equal to the Medicare Supplemented/Managed Medicare monthly rate based on the CalPERS Kaiser Bay Area rate for employee plus one (1) dependent based on status.
5. PEMHCA – Pursuant to PEMHCA and relevant PERS regulations, a retired employee will qualify for retiree medical benefits if his or her retirement from the City is effective within 120 days of his or her separation from employment with the City and the retired employee receives a retirement allowance from CalPERS resulting from his or her service with the City (Annuitant). Annuitants are eligible to continue health coverage under PEMHCA. An Annuitant will receive the PEMHCA minimum contribution regardless of retirement date.

6. All contributions shall be made pursuant to the City's PEMHCA resolution and Government Code section 22892. All contributions referenced in Section 4.E. above include the minimum contribution.
7. All City contributions in excess of the minimum employer contribution shall be done on a reimbursement basis pursuant to IRS regulations.
8. For all employees who retire after January 1, 2018, the amount of contribution from the City referenced throughout Section 4.E. shall be based on CalPERS Kaiser rate for the region in which the City is assigned (currently Kaiser Sacramento region) rather than Kaiser Bay Area.

E. DENTAL BENEFITS FOR RETIREES

The City shall make the dental plan available for retirees to continue at their own expense, at the same total monthly premium for the group dental insurance plan sponsored by the City for an eligible employee and two (2) or more dependents.

SECTION 5. DEFERRED COMPENSATION.

City agrees to continue the contract with the International City Managers Association (ICMA) and PERS for deferred compensation programs entitling employees to defer receipt of a portion of their salary until retirement or other time jointly agreed upon by individual employees and ICMA or PERS. Nothing contained herein shall obligate City to make any contributions on behalf of employees.

SECTION 6. PERS SPECIAL COMPENSATION PAY.

A. POST CERTIFICATE PAY

1. Management Certificate. Employees who have earned a California Commission on Peace Officers Standards and Training (POST) Management Certificate shall receive a three percent (3%) increase above their base pay.

POST Certificate pay is earnable special compensation within the meaning of Section 20636 of the California Government Code and Section 571(a)(2) of the CalPERS regulations and/or as defined pensionable compensation in the California Government Code and the CalPERS regulations as amended.

B. EDUCATIONAL INCENTIVE PAY

1. Command College/FBI National Academy. Employees who complete POST Command College or the FBI National Academy shall receive a three percent (3%) increase above base pay for educational incentive pay.

2. Post-Graduate Pay. Additionally, employees who hold a Master's degree or Doctorate degree from an accredited school or university shall receive a two and one-half percent (2.5%) increase above base pay as educational incentive pay.
3. The combined total educational incentive pay shall not exceed a maximum of five and one-half percent (5.5%) increase above base pay. Incentive pay shall become operative at the time that the employee can demonstrate attainment of appropriate criteria, which may occur in advance of actual receipt of formal degree and/or certificates. The Police Chief is required to evaluate and approve acceptable courses of education and/or changes under this provision.
4. Educational Incentive pay is earnable special compensation within the meaning of Section 20636 of the California Government Code and Section 571(a)(2) of the CalPERS regulations and/or as defined pensionable compensation in the California Government Code and the CalPERS regulations as amended.

C. LONGEVITY PAY

Longevity pay is additional compensation to sworn peace officers who have been with the City of Davis or in a peace officer job classification (aggregate service with the City of Davis and any other law enforcement agency or agencies) for a term exceeding 5 (five) years.

Commencing the pay-period following ratification of this Agreement, sworn peace officers shall receive the longevity pay indicated below:

Service Term	Longevity Pay
After five (5) years of sworn service	2.5% increase above base pay
After ten (10) years of sworn service	2.5% increase above base pay
After fifteen (15) years of sworn service	2.5% increase above base pay
After twenty (20) years of sworn service	2.5% increase above base pay
After twenty-five (25) years of sworn service	2.5% increase above base pay

The maximum longevity pay for a sworn employee is a twelve and one-half percent (12.5%) increase above the sworn employee's base pay. Longevity pay shall be included on each eligible employee's bi-weekly payroll.

Longevity pay is earnable special compensation within the meaning of Section 20636 of the California Government Code and Section 571(a)(1) of the CalPERS regulations and/or as defined pensionable compensation in the California Government Code and the CalPERS regulations as amended

D. BILINGUAL PAY

1. City agrees to pay one hundred and fifty dollars (\$150.00) per month per certified employee for bilingual pay if the employee qualifies and remains on the Authorized

Interpreters List as specified and periodically amended by Police Department Policy in accordance with State and Federal Law. City agrees to pay an additional fifty dollars (\$50.00) per month, not to exceed two hundred dollars (\$200.00) per month total in bilingual pay, to employees who are designated in writing by the City to administer the initial bilingual certification test and the update testing to other Department employees.

2. Certification: Certification of proficiency will be accepted upon successful completion of a written and an oral test administered by and individual or organization designated by the City.
 - a. Employees will pay the charged fee to be tested the first time. Employees will be reimbursed for the full amount of the fee if they pass the test. City will pay additional costs, if any, associated with administration of the test and for the annual updates.
 - b. The test will be designed by the City designated individual or organization with participation by one member of Police Management and one member of the Human Resource Office.
 - c. If an employee fails the initial test, all expenses associated with requests for subsequent re-testing will be paid in full by the employee.
3. Approved Languages: The Police Chief can approve any language that meets the City's needs. The Police Chief may make changes to the Authorized Interpreters List as needed.
4. Effective Dates: Employees covered by this MOU are eligible from the first day of hire to qualify to be tested and to qualify for receipt of bilingual pay. Employees who have been placed on the Authorized Interpreter List must receive annual refresher training or they will be removed from the Authorized Interpreters list and will no longer qualify for the Bilingual Pay, unless they meet all qualifications for reinstatement.
5. Bilingual premium pay is earnable special compensation within the meaning of Section 20636 of the California Government Code and Section 571(a)(4) of the CalPERS regulations and/or as defined pensionable compensation in the California Government Code and the CalPERS regulations as amended.

SECTION 7. EMPLOYEE DUTIES.

A. EMPLOYEE DUTIES

Employees shall perform the duties of such position as established by their job description as directed by the Police Chief. Employees shall faithfully, diligently, and to the best of employee's abilities, perform all duties that may be required.

Employees agree that they have a duty of loyalty and a general fiduciary duty to the City. Employee shall devote the whole of employee's working time, skill, experience, knowledge, ability, labor, energy, attention and best effort exclusively to the City's business and affairs.

B. NO CONFLICT

Employees shall not engage in any employment, activity, consulting service, or other enterprise, for compensation or otherwise, which is actually or potentially in conflict with, inimical to, or which interferes with the performance of employee's duties. Further, employee shall not, during the term of this Agreement, engage in any activity which is or may become a conflict of interest, prohibited contract, or which may create an incompatibility of office under California law. Employee will complete annual disclosure forms required by law.

C. HOURS OF WORK

Employees covered by this MOU are in FLSA-exempt positions. Employee's normal schedule shall be Monday through Friday 8 a.m. to 5 p.m. unless an alternative work schedule is assigned by Police Chief. Regardless, employees are expected to engage in those hours of work that are necessary to fulfill the obligations of their position. It is recognized that employees must sometimes devote time to the business of the City outside of the City's customary work hours, and to that end employee's schedule of work each day and week may vary in accordance with the work required to be performed and in accordance with any specific direction provided by the Police Chief.

SECTION 8. LEAVE.

City agrees employees will earn the following paid leave time as specified:

A. VACATION LEAVE

The purpose of an annual vacation leave is to enable each employee to have a period of time to use as they desire, to rest and relax, and to return to their work mentally refreshed.

1. The number of days earned per year shall be prorated and accrued on a bi-weekly basis. Employees shall not vest vacation leave until it is actually accrued.
2. The times during a calendar year at which an employee may take their vacation shall be determined by the Police Chief with due regard for the wishes of the employee, and with particular regard for the needs of the service. If the requirements of the service are such that an employee cannot take part or all of their annual vacation in a particular calendar year, such vacation shall be taken during the following calendar year.
3. Any employee, with the consent of the Police Chief and the City Manager, may defer as many working days of their annual vacation as they accumulate during a given year to the succeeding calendar year.
4. Employees who terminate employment shall be paid in a lump sum for all accrued, unused vacation leave earned prior to the effective date of termination.

5. Employees shall earn vacation leave during each calendar year according to the following schedule:

<u>Years of Employment</u>	<u>Vacation Hours Earned Per Year</u>
1-3	120
4-5	136
6-10	160
11	184
12	192
13	200
14	208
15	216
16+	224

6. Effective the pay period following ratification of this Agreement, for purposes of the above accrual rates, "Years of Employment" includes the aggregate time an employee has served in a sworn law enforcement capacity with the City and any other law enforcement agency.

B. MANAGEMENT LEAVE

The purpose of management leave is to partially compensate each employee for the extra time that such employee is required to devote to City business outside of normal duty hours. Employees receive no other compensation for the extra time that they devote to City business and, as such, are entitled to management leave with pay.

1. Employees shall be credited with eighty (80) hours of management leave each calendar year, which shall be prorated and accrued on a bi-weekly basis.
2. The employee shall not vest management leave time until it is actually accrued.
3. Any employee, with the consent of the Police Chief and the City Manager, may defer as many working days of their annual management leave as they accumulate during any given year to the succeeding calendar year.
4. The policy statements contained in this MOU regarding the time during the calendar year at which an employee may take their vacation leave, holiday leave, and payment for leave upon termination of employment, shall also apply to management leave.

C. CASH-OUT OF VACATION/MANAGEMENT LEAVE

1. Employees are encouraged to take their vacation and management leaves off with pay.
2. Employees are able to cash-out up to forty (40) hours of vacation as long as: (1) the employee has at least fifteen (15) years of service with the City, and (2) the employee has a minimum of one (1) year of accrued vacation on the books.

3. Employees are able to cash out up to one-hundred (100) percent of the management leave accrued in one year.
4. In compliance with IRS regulations, employees must make an irrevocable election to receive a cash payment of vacation leave and/or management leave hours prior to accruing those hours. Employees must submit an irrevocable election form to Human Resources no later than December 31st of the year prior to the year in which the vacation and/or management leave will be accrued and cashed-out. An employee may elect to apportion the hours between no more than two (2) pay periods per year, limited to the amount of vacation and/or management leave accrued as of the time of the cash-out. For example, an employee accruing eighty (80) hours of management leave per year accrues at a rate of 3.0769 hours per pay period. It will take this employee seven (7) pay periods to accrue twenty (20) hours sought to be cashed out. Therefore, the employee could not receive a cash payment for twenty (20) hours until the eighth pay period of the year.

D. SICK LEAVE

Sick leave shall not be considered as a right to be used at the employee's discretion, but shall be allowed only in case of necessity and actual personal illness or disability in accordance with the Personnel Rules and Regulations adopted September 13, 2000 and as subsequently amended.

1. Sick leave shall be earned at the rate of eight (8) hours for each calendar month of service.

Regular part-time employees who work in a position budgeted for less than full-time, but more than 1,040 hours per year, shall be credited sick leave on a prorated basis. For example, part-time employees regularly scheduled to work twenty (20) hours per week accrue at a rate equal to four (4) hours for each calendar month of service.

2. In order to receive compensation while absent on sick leave, the employee shall notify his or her immediate supervisor or other appropriate department person prior to, or within one (1) hour before the time set for beginning the daily duties, or as may be specified by the Police Chief.
3. An employee may be required to file a physician's certificate stating the cause of absence at the discretion of a supervisor or manager. However, nothing in this provision shall be construed that any employee waives any right of privacy guaranteed under state and/or federal law.
4. Sick Leave may be used in accordance with California's Paid Sick Leave law, as it may from time to time be amended. Under current law, an employee may use paid sick leave for one of the following reasons:
 - a. For the employee's own diagnosis, care, or treatment of an existing health condition

or preventative care.

- b. For the diagnosis, care, or treatment of an existing health condition or preventative care for an employee's family member, including:
 - 1. Spouse or Registered Domestic Partner.
 - 2. Child (including a biological, adopted, or foster child, stepchild, legal ward), or
 - 3. Parent (including biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child).
 - 4. Grandparent.
 - 5. Grandchild.
 - 6. Sibling.

- c. To obtain any relief or services related to being a victim of domestic violence, sexual assault, or stalking including the following with appropriate certification of the need for such services:
 - 1. A temporary restraining order or restraining order.
 - 2. Other injunctive relief to help ensure the health, safety or welfare of themselves or their children.
 - 3. To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking.
 - 4. To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking.
 - 5. To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking.
 - 6. To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

- 5. No payment shall be made for unused sick leave at termination of employment whether voluntary or involuntary, except that upon retirement under CalPERS, unused sick leave shall be treated as additional time in service for the purpose of computing retirement benefits.

E. HOLIDAYS

Employees shall accrue vacation in lieu of holiday time on a pro rata basis per pay-period for an annual total of one-hundred sixteen (116) hours.

The policy statements contained in this MOU regarding the time during the calendar year at which an employee may take their vacation leave, holiday leave, and payment for leave upon termination of employment, shall also apply to holiday leave.

F. JURY DUTY LEAVE

Every employee who is called or required to serve as trial juror shall be entitled to be absent from their duties with the City during the period of such service or while necessarily being present in court as a result of such call. Under such circumstances, the employee shall be paid the difference between their full salary and any payment they receive, except travel pay, for such duty.

G. ATTENDANCE

Employees shall be in attendance at their work in accordance with the rules regarding hours of work, holidays, and leaves. Failure on the part of an employee absent without leave, to return to duty within twenty-four (24) hours after notice to return shall be cause for immediate discharge.

SECTION 9. UNIFORMS

A. NEW EMPLOYEE UNIFORMS

Sworn employees that are new to the Department will be provided three thousand dollars (\$3,000) for the purchase of uniforms and two thousand dollars (\$2,000) for the purchase of safety equipment, for a total of five thousand dollars (\$5,000). These uniforms and equipment are to be considered personal property. It is the responsibility of the employee to obtain and maintain these items. Eligible items are those specified in the Departmental Regulations and are to include a gun and a ballistic vest which must be worn while in uniform and out of the office. If an employee is in the office, they must have the vest immediately available. If an employee leaves, for any reason, while still on probation, two options are available for pay back, which include (1) prorate the cash allowance provided by the City from the date of hire to be repaid by employee, or (2) return equipment purchased with City funds and identified by the Department.

For CalPERS Classic members, uniform purchase allowance is considered special compensation and will be reported to CalPERS (\$3,000). Pay will be reported to CalPERS each pay period on a pro-rated basis.

B. NEW SWAT AND EOD MEMBERS

Employees who become new SWAT or EOD members will be provided six hundred dollars (\$600.00) lump sum one-time only payment for safety equipment. It is the responsibility of the Employee to obtain and maintain these items. Eligible safety equipment are those items specified in department regulations.

C. RE-ASSIGNED DIVISION COMMANDERS

Employees who are transferred from a uniformed assignment to a plain-clothes assignment, or from a plain-clothes assignment to a uniformed assignment, where the transfer is reasonably anticipated to last more than one-year, shall, in addition to the annual uniform allowance, be provided a \$500.00 lump sum uniform payment.

D. UNIFORM REPLACEMENT ALLOWANCE

City agrees to provide a uniform replacement allowance for each eligible employee of \$1,500.00 per fiscal year for the cost of replacing eligible uniform items. Eligible items are those specified in departmental regulations. Employees shall begin receiving a replacement allowance after completion of one year of service. The allowance shall be paid in a lump sum at the beginning of each fiscal year.

For CalPERS Classic members, uniform replacement allowance is considered special compensation and will be reported to CalPERS each pay period on a pro-rated basis.

E. SWAT AND EOD REPLACEMENT ALLOWANCE

City agrees to provide a safety equipment replacement allowance for each SWAT or EOD member of \$250.00 per fiscal year after the first year of participation. Eligible items are those specified in departmental regulations. The allowance shall be paid in a lump sum at the beginning of each fiscal year.

F. UNIFORM CLEANING ALLOWANCE

City agrees to pay employees One-Hundred Fifty (\$150) per fiscal year as a "Uniform Cleaning Allowance" to be used for the specific and limited purpose of having cleaned and otherwise maintained those items of uniform that the City requires them to wear during the performance of their assigned duties. City agrees to pay eligible employees one-half (1/2) of the "Uniform Cleaning Allowance" at the end of each half of each fiscal year.

For CalPERS Classic members, uniform cleaning allowance is considered special compensation and will be reported to CalPERS each pay period on a pro-rated basis.

G. UNIFORM POLICY

All employees covered under this MOU shall comply with the uniform and dress policies contained in the Departmental Uniform and Dress Policy at all times while on duty. Any change in this policy shall be agreed upon between the Police Chief and employees.

H. REPAIR AND REPLACEMENT OF DAMAGED UNIFORMS/EQUIPMENT

Employees shall be reimbursed for the repair and replacement of personal property damaged in the course of employment and performance of their assigned duties without fault or negligence on the part of the employee as provided in this section. The option to repair or replace damaged items and to determine whether replaced property shall be returned to the employee rests with City. The intent of this benefit program is to permit reimbursement for the repair and replacement of such items as eye glasses, hearing aids, dentures, watches, or professional equipment if necessarily worn or carried by the employee in the course of his/her employment. Reimbursement shall not be authorized in connection with ordinary wear and tear.

1. This benefit program shall not apply to the following:
 - a. Losses by mysterious disappearance or theft.
 - b. Losses of precious or semi-precious stones from settings in watches, eye glasses, and other normal utilitarian items.
 - c. Losses of any automobile or other vehicle, except as required by state law.
 - d. Losses to the property of others when in the care, security or control of the employee.
 - e. Losses of money.
 - f. Losses resulting from acts of negligence on the part of the employee.
2. In the event the employee has insurance covering the loss to which this benefit program applies, the benefits afforded under this agreement shall apply only as excess benefits to that paid under the employee's insurance.
3. The provisions of this benefit program shall not apply if the employee has concealed or misrepresented any fact or circumstance concerning the subject of their loss, their interest therein, or in the case of any fraud or false statements by the employee relating thereto.
4. In no event shall City be liable for more than Five-Hundred (\$500) for any individual item nor for more than One-Thousand (\$1,000) for all losses occurring in a single fiscal year.
5. Claims will be paid only under the following circumstances:
 - a. Claimant must submit proof of purchase and purchase price for the item claimed, or the claim will be denied.
 - b. Claims will be paid on the basis of original purchase price (not replacement value) less depreciation as set out below.
 - c. The purchase price will be depreciated at the rate of 33-1/3% per year, prorated from date of purchase.
 - d. Employee claimant must notify the department if the damage is the direct result of the actions of another (i.e., combative arrest or foot pursuant) and if a request for restitution has been made.

SECTION 10. LAYOFF GUIDELINES

In the event of layoffs, City shall endeavor to provide as much notice as reasonably practicable to affected employees attempting to do the best for employees realizing it takes as much as four to six months to find a new position. If layoffs are necessary, they would be implemented based on time in rank and grade.

SECTION 11. EXTRA DUTY EMPLOYMENT

Employees who engage in Extra-Duty employment under the Rules and Regulations adopted by the Police Chief shall be compensated under the terms of the Davis Police Officers Association MOU.

SECTION 12. MUTUAL AID/DECLARED DISASTER EMERGENCY

To the extent that the City costs are reimbursable by the federal or state government, the City agrees to pay employees time and one-half the regular rate of pay for all time away outside of regularly scheduled working hours. The event must be a declared disaster and eligible for reimbursement by the federal or state government. It is the intent of the City to pay as usual and then City will request reimbursement of the federal or state government and if the City is reimbursed then the City will adjust the pay of the employees who worked the declared disaster.

SECTION 13. INTERNAL RELATIONSHIPS

Maintain current internal relationships in order to prevent salary (base-pay) compression issues with positions in the Davis Police Officer Association.

Police Lieutenant will maintain a minimum of a 25% base pay differential above Police Sergeant.

Deputy Police Chief will be a minimum of 10% base pay above Police Lieutenant.

Assistant Police Chief will be a minimum of 10% base pay above Deputy Police Chief.

SECTION 14. GRIEVANCES

The grievance procedure stated in City of Davis Personnel Rules and Regulations adopted September 13, 2000 and as subsequently amended from time to time, shall be the exclusive method of adjusting grievances between City and employees.

SECTION 15. WRITTEN REPRIMANDS

The City agrees to automatically remove Written Reprimands from all covered employees under this MOU personnel file after 5 years and 6 months as long as the Written Reprimand is not referred to in a subsequent disciplinary document. Then removal of such discipline would be left to the discretion of the City Manager.

SECTION 16. MANDATORY DIRECT DEPOSIT

The employees agree to implement mandatory payroll direct deposit for all employees covered by this MOU.

SECTION 17. TERM AND EFFECT OF AGREEMENT

- A. This MOU shall be effective July 1, 2017, and shall remain in effect to and including June 30, 2019.
- B. During the term of the MOU, the provisions herein shall govern the wages, hours, benefits, and working conditions of employees covered by this MOU. Except as otherwise provided herein, neither party hereto shall be required to meet and confer upon matters set forth in this MOU, except that the parties may meet and confer during the term of this MOU on any matter within the scope of representation where (1) the matter is not covered by the MOU or was not expressly raised as an issue during the meeting and conferring process by which this MOU arose; and (2) there has arisen a significant change in circumstances with respect to such matter, which could not have reasonably been anticipated by both parties at the time they signed this MOU.
- C. City and employees agree that meet and confer sessions pertaining to a successor MOU shall be commenced as soon as possible after the request of either party made after January 1, 2019 with the mutual intent of ratifying such MOU prior to June 30, 2019.

SECTION 18. CONSTRUCTION OF AGREEMENT

The language in all parts of this MOU shall, in all cases, be construed as a whole and in accordance with its ordinary and fair meaning. The captions of the paragraph and sub paragraphs of this MOU are for convenience only and shall not be construed or referred to in resolving questions of construction.

This MOU has been reviewed by both parties and by legal counsel for the City. The agreement shall be deemed to have been drafted by both parties and ambiguities shall not be construed against either party.

SECTION 19. COVENANT OF GOOD FAITH AND FAIR DEALING

Neither party shall do anything which shall have the effect of harming or injuring the other party to receive the benefits of this MOU; each party shall refrain from doing anything which would render its performance under this MOU impossible; and, each party shall do everything which this MOU contemplates to accomplish the purposes and objectives of this MOU.

SECTION 20. EFFECTIVE DATE OF CHANGES

Except as otherwise specified, this agreement is effective July 1, 2017.

SECTION 21. ALL OTHER TERMS AND TO REMAIN THE SAME

All terms and conditions of employment, regulations and administrative practices which are within the scope of representation and which are not expressly amended by this MOU shall remain unchanged during the term of this MOU. This MOU is the entire agreement of the parties.

SECTION 22. COPIES OF AGREEMENT

City shall provide all employees with one fully executed copy of this memorandum (including a conformed copy of the authorizing resolution) within five (5) days from ratification by the City Council.

DATED: 12/20/17

EMPLOYEE RELATIONS OFFICER OF THE CITY OF DAVIS

By: Michael Webb
Michael Webb

INDIVIDUAL SWORN POLICE MANAGERS

By: David Delaini
David Delaini

By: Tom Waltz
Tom Waltz

By: Michael Munoz
Michael Munoz

By: Paul Doroshov
Paul Doroshov

By: Ton Phan
Ton Phan

STAFF REPORT

DATE: February 3, 2015
TO: City Council
FROM: Melissa Chaney, Director Human Resources/Parks and Community Services
SUBJECT: Terms, Conditions and Understandings of Compensation and Employment for the Individual Fire Managers

Recommendation

Approve the attached Resolution Adopting new Terms, Conditions and Understandings of Compensation and Employment for the Individual Fire Managers.

Fiscal Impact

The terms of the contract will result in increased costs totaling approximately \$48,000 and will come from the General Fund.

Background and Analysis

Staff began negotiations with the Fire Management employees over a year ago in order to align the positions with a benefit package similar to the Police Management employees. Fire Management employees include the Deputy Fire Chief, the Division Fire Chief (Fire Marshal) and the Division Fire Chief positions.

When the Terms, Conditions and Understandings of Compensation and Employment for the Individual Fire Managers was originally implemented in March 2012, all the positions were vacant, and the City created a benefit package that was in line with the Guiding Principles of the Council. This initial contract expired June 30, 2013.

With the previous contract ratified in 2012, the Fire Managers received many of the reductions prior to any other group, such as a \$500 cafeteria cash out, employees paying an additional 3% of PERS, and a reduction in uniform allowance. However, they did not receive any of the COLAs or changes that were negotiated by the other groups in order for the City to enact those reductions. The intent of this current contract is to bring the Fire Managers in line with the Police Managers.

The proposed Terms, Conditions and Understandings of Compensation and Employment for the Individual Fire Managers includes changes to the following:

- Effective January 1, 2014 a two percent (2%) salary increase
- Effective January 1, 2015, a one percent (1%) salary increase
- City shall pay uniform allowance up to \$1,000 for a Uniform Allowance

- Up to 5% educational incentive pay for a Master degree and certain job specific certifications.
- Decrease in In-lieu of holiday pay from 6% to 1%
- Service term bonus of 2.5% for 5 years of service and 2.5% for 10 years of service for a maximum of 5%

These changes mirror the Police Management contract that was signed in November 2012. The proposed contract will expire on December 31, 2015. This date aligns the contract for the Individual Fire Management Employees with the other City employee contracts under negotiation in 2015.

Based on the information provided above, the attached resolution establishing Terms, Conditions and Understanding of Compensation for the Individual Fire Management Employees is consistent with the framework for negotiations that the City Council established with their Guiding Principles for Employee Compensation and Objective for Labor Negotiations in 2012.

Attachments

1. Resolution
2. Terms, Conditions and Understandings of Compensation and Employment for the Individual Fire Managers.

RESOLUTION NO. ____, SERIES 2015

A RESOLUTION ADOPTING TERMS, CONDITIONS AND
UNDERSTANDING OF COMPENSATION AND EMPLOYMENT
FOR THE INDIVIDUAL FIRE MANAGERS

WHEREAS, the City Council of the City of Davis, pursuant to California Government Code sections 3500 et seq., enacted an employer-employee relations policy with its adoption of Resolution No. 1303, Series 1973, dated June 26, 1973; and

WHEREAS, under the terms of that policy the City Manager and his representatives and the Fire Individual Management Employees have met and conferred in good faith; and

WHEREAS, these parties have reached agreement on matters relating to the employment conditions of the said employees, as reflected by the written Terms and Conditions of Employment, which is attached hereto and made a part hereof; and,

WHEREAS, this Council finds that the provisions and agreements contained in said Terms, Conditions and Understanding of Compensation and Employment, as written, are fair and proper and in the best interests of the City;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Davis that the terms and conditions contained in said Terms, Conditions and Understanding of Compensation and Employment are hereby adopted by the City Council subject ratification by individual Fire employees.

PASSED AND ADOPTED by the City Council of the City of Davis on this 17th day of February 2015, by the following vote:

AYES:

NOES:

ABSENT:

DANIEL M. WOLK,
Mayor

ATTEST:

ZOE S MIRABILE, CMC
City Clerk

**TERMS, CONDITIONS AND UNDERSTANDINGS OF
COMPENSATION AND EMPLOYMENT FOR
THE INDIVIDUAL FIRE MANAGERS**

The City Council of the City of Davis hereby establishes the following salary, benefits and other provisions related to the employment of the City's Individual Fire Managers during the period of January 1, 2014 through December 31, 2015.

Section 1. Individual Fire Managers' Employee Group

The following fire department managerial positions, formerly part of the Management Bargaining Group, will be considered part of this group and are collectively referred to as "Employees":

Deputy Fire Chief
Fire Division Chief (Fire Marshal)
Fire Division Chief

The Deputy Fire Chief position is an Executive Management position and is at-will, which means that such employment can be terminated at any time, with or without cause, by either the City of Davis or by the employee.

The Fire Division Chief (Fire Marshal) and Fire Division Chief have property rights in their employment and may only be terminated or disciplined for cause.

Section 2. Agreement Controlling:

The City's Personnel Rules and Employee Relations Resolution shall govern City employment for those in this group, unless this Agreement conflicts, in which case this Agreement shall control.

Section 3. Nondiscrimination

In the administration of this Agreement, no person covered by this Agreement shall be discriminated against because of race, national origin, religion, sex, sexual orientation, disability, age, marital status or any other characteristic protected by federal or state law.

This Agreement shall be administered and applied in a manner that complies with provisions of the federal, state and local disability and anti-discrimination statutes. The City reserves the right to administer and interpret the Agreement to ensure compliance with such laws.

This Agreement provision shall not be interpreted to grant rights in addition to those conferred by federal, state and local laws.

Section 4. Term:

The term of this Agreement shall commence January 1, 2014 and conclude December 31, 2015.

Section 5. Management Rights:

- A. The City retains, whether exercised or not, solely and exclusively, all express and inherent rights and authority pursuant to law with respect to determining the level of and the manner in which the City's fire protection activities are conducted, managed, and administered, and the Individual Fire Management Employees recognize the exclusive rights of the City to establish and maintain Departmental rules and procedures for the administration of the Fire Department during the term of this Agreement, provided that such rules and procedures do not violate any of the specified express provisions herein.
- B. The City retains the exclusive right and authority to schedule work and/or overtime work as required in the manner most advantageous to the City.
- C. It is understood by the parties that every incidental duty connected with operations enumerated in job descriptions is not always specifically described, nevertheless, it is intended that all such duties shall be performed by the Employees.
- D. The City reserves the right to discipline or discharge Employees, subject to this Agreement and the City's discipline procedures. The City reserves the right to lay off personnel in accordance with the City's procedures.
- E. The City shall determine work assignments, and establish methods and processes by which assignments are performed.
- F. The City shall have the right to transfer or reassign Employees within the Fire Department in a manner most advantageous to the City.
- G. Except as otherwise specifically provided in this Agreement, the City retains unqualifiedly all rights and authority to which by law the City is entitled.
- H. The City shall have the authority to affect reorganization of the Fire Department.
- I. The City has rights and obligations in contracting for matters related to municipal operations. The right of contracting or subcontracting is vested exclusively in the City.
- J. Any and all rights concerning the management, organization, and direction of the Fire Department shall be exclusively the right of the City unless otherwise provided by the express terms of this Agreement as permitted by law.

Section 6. Employee Rights:

A. The Association and covered Employees shall have those rights conferred by the Meyers-Milias-Brown Act, Government Code section 3500, et seq.

B. Subject to this Agreement's provisions (e.g. Section 1), Employees shall not have any formal punitive personnel action taken which will result in any loss of pay or benefits, unless the Employee is notified in writing as to the reason or reasons thereof and given reasonable opportunity to respond. Nothing in this clause shall prevent the City from rejecting without cause an Employee during probationary status.

C. Formally recognized Employee organizations may select not more than two (2) Employee members of such organizations to attend scheduled meetings with the Employee Relations Officer or other management officials on subjects within the scope or representation during regular work hours without loss of compensation. Where circumstances warrant, the Employee Relations Officer may approve the attendance of additional Employee representatives with or without the loss of compensation. The Employee organization shall, whenever practicable, submit the names of all such Employee's representatives to the Employee Relations Officer at least three (3) calendar days in advance of such meetings. Provided further:

- 1) that no organization representative, who is a City Employee, shall leave his or her duty or work station without specific approval of the Department Head or other authorized City Management official;
- 2) that any such meeting is subject to scheduling by City management in a manner consistent with operations and work schedules; and,
- 3) nothing provided herein, however, shall limit or restrict City management from scheduling such meetings before or after regular duty or work hours under appropriate circumstances. No compensation shall be paid City Employees for any meetings or related work conducted out of the normal working hours.

D. Reasonable access to Employees' work locations shall be granted officers of recognized Employee organizations and their officially designated representatives, for the purpose of processing grievances or contacting members of the organization concerning business within the scope of representation. Such officers or representatives shall not enter any work location during normal duty hours without the consent of the Department Head or the Employee Relations Officer. Such consent shall not be unreasonably withheld. Access shall be restricted so as not to interfere with the normal operations of the department or with established safety or security requirements.

Solicitation of membership and activities concerned with the internal management of an Employee organization, such as collecting dues, holding membership meetings, campaigning for office, conducting elections and distributing literature, shall not be conducted during normal business hours.

E. Recognized Employee organizations may, with prior approval of the Employee Relations Officer or Fire Chief, be granted use of the City facilities during off-duty hours for meetings of City Employees provided such space is available. All such requests shall be in writing and shall state the purpose or purposes of the meeting. The City reserves the right to assess reasonable charges for the use of such facilities.

The use of City equipment other than items normally used in the conduct of business meetings, such as desks, chairs and blackboards, is strictly prohibited, the presence of such other equipment in approved City facilities notwithstanding.

F. Recognized Employee organizations may use portions of City bulletin boards under the following conditions:

- 1) Prior to posting, all materials must receive the approval of the Department or Division head in charge of the departmental bulletin board. Should the department head not approve any item for posting, and if after discussing the matter with the Employee organization representative a disagreement still remains, then the matter shall be referred to the Employee Relations Officer for determination.
- 2) All materials must be dated and must identify the organization that published same.
- 3) Unless special arrangements are made, materials posted must be removed thirty-one (31) days after publication date.
- 4) The City reserves the right to determine where bulletin boards shall be placed and what portion of them are to be allocated to Employee organizations' material.
- 5) An Employee organization that does not abide by these rules shall forfeit its right to have materials posted on City bulletin boards.

G. A substantial body of statutory and case law has developed relative to the rights and obligations of an employer and the Employees pursuant to the Meyers-Milias-Brown Act. It is agreed by both parties that each will be bound by applicable statutory and case law. It is also agreed in the interest of maintaining improved employer/Employee relations, that each party will make a good faith effort to respect the rights of the other party at all times during the life of the Agreement.

Section 7. Compensation:

City and Employees agree the following shall be the base salary increase percentages for the term of this Agreement:

1. Effective January 1, 2014 this Agreement, Employees will receive a two percent (2%) salary increase.
2. Effective January 1, 2015, Employees will receive a one percent (1%) salary increase.

Section 8. Probationary Period and Merit Review:

A. Probationary Period: The Fire Division Chief (Fire Marshal) and Fire Division Chief positions shall serve a probationary period of twelve months. The Deputy Fire Chief is at-will and shall serve no probationary period.

B. Merit/Review: If appointed at (or promoted to) Step 1, Employees are eligible for a merit review six months after the date the action becomes effective. If appointed above Step 1, the merit review will be twelve months from effective date.

Section 9. PERS:

A. For current employees in this group who are “classic” CalPERS members, the CITY shall continue providing Employees with the CalPERS “3% at 50” local safety retirement plan. For “new” CalPERS members, the benefit shall be per statute.

B. The retirement plan shall continue to include unused sick leave credit option, single highest year final compensation, death benefits, disability benefits, military service credit as a public service and the 1959 Survivor Benefit (Level IV). The Employees will pay the Employee’s portion of the survivor benefit.

C. Employees will continue to pay one hundred (100) percent of the Employee’s nine (9) percent of PERS contribution.

D. Employees will continue to pay three (3) percent of the employer contribution rate.

Section 10. Additional Compensation:

Due to the fact that the classifications in this bargaining unit are deemed exempt from the overtime requirements of the Fair Labor Standards Act (FLSA), the following special provisions for the payment of overtime will apply to the Fire Division Chiefs (not including the FDC-Fire Marshal position). Overtime for Fire Division Chiefs will be compensated at the hour per hour rate for time worked due to emergencies, and it is based upon a 56 hour work week. Emergencies shall be determined by the Fire Chief, in his or her sole discretion, and may include but are not limited to such events as:

- Major storm damage requiring the dispatching of additional crews;
- The necessity to cover scheduled shifts and/or extra shifts
- Direct supervision of crews assigned to work during normal days off to accommodate the public;
- Break down of equipment and/or systems requiring the presence of the Fire Division Chief in order to restore service

Overtime shall not be incurred or paid for the following:

- Staff meetings
- Special projects
- Conferences, training and seminars
- Appearances before City Council and commissions,
- Public information presentations,
- Activities involved with the completion of normal activities or programs such as budgets, inventory, annual financial closings, labor negotiations, and recreation programs.

All overtime must be approved in advance by the Fire Chief. Any deviations from these guidelines must be approved in advance by the Fire Chief and the City Manager.

The Assistant Fire Chief and the Fire Marshal are considered exempt classifications not subject to any of the exceptions for overtime specified in the above section.

OES Strike Team Response Compensation

When an Employee in this group is assigned by the Fire Chief to respond to a request for mutual aid under the State Mutual Aid Program, (also known as the Six-Party Cooperative Agreement), that Employee will be compensated for that time worked that is not normally scheduled work time in the City of Davis. Such an Employee shall be compensated at straight-time pay (at the 56-hour rate) so long as City is reimbursed under the Six-Party Cooperative Agreement.

The Assistant Fire Chief and the Fire Marshal will be paid at straight-time pay (40-hour rate) for all Six-Party Agreement responses, for which the City is reimbursed by the State under the Six-Party Agreement.

Section 11. Shift Trades:

Fire Division Chiefs will be allowed to have unlimited shift trades with the approval of their supervisor.

Section 12. City § 125 Benefit Contribution:

Cash-Out of Cafeteria Plan

If an Employee has outside health insurance coverage through a spouse, domestic partner or alternative retirement, an Employee can cash-out up to a maximum of \$500 per month or add this amount to deferred compensation.

Health Benefits Contribution

Cost Sharing of Health Benefits will be equal to that of Police Management.

Effective with implementation of this agreement, and each month thereafter, the CITY will contribute \$1561.55 towards the monthly health care premium for EMPLOYEES. Effective December 1, each following year, when health care premium increases take effect, the CITY will contribute up to the first three percent (3%) of any increases in health premiums (set to Kaiser-Bay Area Employee +2 plan). EMPLOYEE will contribute up to the next additional three percent (3%) of health premium increases for the benefit year. Any increase in the premium above six percent (6%) will be shared equally (50/50 cost sharing) between CITY and EMPLOYEE.

Dental Benefits Contribution

For the term of this Agreement, City shall contribute towards each Employee member's dental plan or cafeteria benefit plan the total monthly premium, for the term of this Agreement, effective April 1, 2012 for the City's self-funded dental plan for Employee with two or more dependents. City will continue to include unmarried dependents through age 22 consistent with the City's health benefits, in the dental insurance program.

Additional Benefits

The City will make available to each covered Employee a monthly amount equal to the sum of the following life and long term disability insurance benefit payments. Participation in the life insurance and long term disability insurance is mandatory and these premiums may not be taken as cash in lieu.

Life Insurance

For the term of this AGREEMENT, CITY shall contribute towards each EMPLOYEE member's cafeteria benefit plan the amount to purchase a \$100,000 policy. Purchase of this policy is mandatory.

This policy will carry an accidental death and dismemberment (AD&D) rider. The AD&D rider provides a benefit of up to \$100,000 subject to the terms and conditions of the policy.

Long Term Disability Benefit

The CITY shall provide long (LTD) term disability insurance coverage for all Employees. For the term of this Agreement, City shall contribute towards each Employee's cafeteria benefit plan the amount to purchase the Long Term Disability Benefit provided in City of Davis Self-Insured Long Term Disability Plan. Purchase of this policy is mandatory.

Vision Care

City shall continue to make vision care available to Employees at no cost to the City.

Flexible Benefit Plans

IRC § 125 provides additional tax advantages, allowing for the establishment of individual Employee savings accounts called Flexible Spending Accounts (FSA). This alternative allows Employees to cover the following on a pretax basis at no cost to the City:

1. Uncovered Health Care Expenses up to \$2,000
2. Dependent Care Expenses up to \$5,000

Amounts will be made available to the Employee to pay premiums for enrollment of the Employee and his/her dependents in City-sponsored health and dental insurance programs of the Employee's choice. Enrollment of the Employee and his/her dependents in City-sponsored health programs is mandatory unless proof of acceptable current alternate coverage is presented. Any amount in excess of the premiums required for the health and dental insurance coverage selected by the Employee will be added to the Employee's gross pay prior to income tax withholding and paid with bi-weekly paychecks.

Once enrolled in a cafeteria distribution plan, Employees will only be permitted to modify the plan on the same basis as changes are permitted in health and dental insurance plans, that is, during open enrollment periods and when the Employee's dependent status changes.

City agrees to continue to enable an Employee, who is married to another Employee of City, to combine their respective City contributions for health insurance premiums for a plan available through City to offset the cost of their health insurance premiums for themselves and their eligible dependents up to the maximums for each Employee, as specified above, and/or, as applicable under the terms of another Memorandum of Understanding. Said Employees agree to enroll in the same plan as an Employee and dependent rather than as two separate Employees.

Retiree Health/Vesting Schedule

Employees are 'public safety employees' and are subject to the same retiree health benefits negotiated and set forth in the Davis Professional Firefighters Local 3494 MOU.

Section 13. Employee Assistance Program (EAP):

The Fire Chief and department managers may require Employees covered by this Agreement to attend an EAP counseling session(s) during working hours. The purpose of the session(s) is to assist the Employee in receiving advice about workplace issues. EAP benefits are also available to Employees at their request pursuant to the City's EAP plan.

Section 14. Uniform Allowance:

City shall pay \$1,000 for a Uniform Allowance at the beginning of every fiscal year beginning in July 2014.

Section 15. Uniforms and Safety Equipment:

- A. Uniforms damaged in the line of duty shall be replaced or repaired in accordance with existing policy.
- B. Required equipment which is damaged or lost will be replaced or repaired in accordance with existing policy.

Section 16. Tuition Reimbursement/Education Incentive:

The City will provide a tuition and books reimbursement program for educational activities which are directly job-related and approved in advance by the Fire Chief, subject to reimbursement guidelines established by City Policy.

Employees shall be entitled to tuition reimbursement for undergraduate courses in pursuit of a BA or BS degree and graduate courses in pursuit of a Master's Degree. The amount for reimbursement shall be set to California State University rates, as per City Policy.

Fire Officer or Fire Marshall Certificate. Employees who have earned a Fire Officer or Fire Marshall Certificate issued by the CA State Fire Marshall shall receive an additional 2.5% above base salary.

Employees shall receive an educational incentive of 2.5% for a Master's Degree or a Chief Officer Certificate.

The total educational/certificate incentive shall not exceed a maximum of 5%. Incentive pay shall become operative at the time that the employee can demonstrate attainment of appropriate criteria, which may occur in advance of actual receipt of formal degree and/or certificates.

Section 17. Service Term Bonus:

In recognition of the substantial contribution to the community made by employees as a result of the length of their aggregate City service, the City shall award each applicable employee service term bonus pay indicated below.

Service Term	Service Term Bonus
Beginning of 5th year of service with the City of Davis	2.5% of base salary
Beginning of 10th year of service with the City of Davis	2.5% of base salary

Service term pay shall be included on each eligible employee's bi-weekly payroll. Eligible employees who leave City service and return within two years of separation will receive credit for prior service time. If an eligible employee leaves City service and returns after two years of separation, prior service time will not be credited.

Section 18. Leaves:

A. Holidays: Employees shall accrue vacation in lieu of holiday time on a pro rata basis per pay-period for an annual total of one-hundred sixteen (116) hours.

Twenty-four hour shift Employees shall be paid holiday- in-lieu pay at the rate of 1% of base pay.

B. Vacation: Vacation leave with pay shall accrue on the following basis retroactive to July 1, 2013:

<u>Years of Service:</u>	<u>40 Hour Employee</u>	<u>56 hour Employee:</u>
1 thru 3 years	120	168.0
4 thru 5 years	136	190.4
6 thru 10 years	160	224.0
During 11th Year	184	257.6
During 12th Year	192	268.8
During 13th Year	200	280.0
During 14th Year and up	208	291.2
During 15 th Year	216	302.4
During 16 th Year and up	224	313.4

The maximum vacation hours that may be accrued is equal to the Employee's current annual rate.

Upon separation from the City, Employees shall be paid for any unused vacation credit.

D. Sick Leave:

Accrual and Use: Employees shall receive twelve (12) working days of sick leave annually – i.e. ninety-six (96) hours for 40 hour work week Employees and one hundred and thirty-five (135) hours for 24 hours shift Employees. Employees are eligible to use sick leave as it is accrued. There shall be no limit on the amount of accumulated sick leave.

Sick leave shall be allowed and used solely for cases of actual personal sickness or disability, medical or dental treatment, or as authorized for other necessary health reasons and may be used by the Employee for attendance upon a member of his/her immediate family seriously ill and requiring the care and attention by the Employee as per City policy. An Employee intending to use sick leave for medical/dental appointments shall notify his/ her immediate supervisor in advance of the appointment.

Sick Leave at Retirement. The City shall continue its contract with PERS to provide that unused accumulated sick leave shall be credited as time in service at the time of retirement.

E. Management Leave:

Effective July 1, 2013, the Fire Division Chief, the Deputy Fire Chief and Fire Marshal shall earn ten (10) working days (i.e., eighty (80) hours) of management leave each calendar year, which shall be prorated and accrued on a bi-weekly basis. Employees shall not vest management leave time until it is actually accrued.

Employees are encouraged to take all of their management leave as time off with pay. However, Employee are entitled to three (3) options with respect to the manner in which they use this leave:

1. Take their accumulated time off with pay.
2. Receive a cash payment for fifty (50) percent of the management leave accrued in one (1) year, and take the remaining balance of their accumulated time off with pay.
3. Receive a cash payment for a hundred (100) percent of the management leave accrued in one year.

Any Employee, with the consent of the Fire Chief and the City Manager, may defer as many working days of their annual management leave as they accumulate during any given year to the succeeding calendar year.

Section 19. No Strike:

Employees agree that during the term of this MOU, and throughout all periods when there is any effort or procedure underway to arrive at a successor Agreement, and during any period when the law prohibits strike activity, there will be no strike, work stoppage, concerted unauthorized absences, slow-down, or refusal to cross picket lines of any sort, and that the Employees will not directly or indirectly encourage or condone such actions Employees.

Any Employee violating this provision shall be subject to disciplinary action, up to and including termination of employment.

This provision may be specifically enforced in any court of competent jurisdiction.

Section 20. Residency:

A. The primary residence of every Employee shall be within 60 minutes auto travel time from the central Fire station. Each Employee may have only one primary residence. Primary residence is defined as the residence where (1) the Employee sleeps a majority of the time; and, (2) if the Employee lives with a spouse or child, the residence where the Employee sleeps a majority of the time.

B. Those Employees who, prior to adoption of this provision, met the City's residency

requirement by establishing a secondary residence, shall be deemed in compliance with this residency requirement until the Employee changes his/her primary residence. Thereafter, the Employee must comply with the residency requirement set forth in subsection A.

Section 21. Separability and Integration:

Except as specifically provided herein, if any article or provision of this Agreement, or any portion thereof is in conflict or inconsistent with applicable laws, or otherwise held to be invalid or unenforceable by any tribunal of competent jurisdiction, such article or provisions, or portion thereof shall be suspended and superseded by such applicable law and the remainder of such article, provision, or portion thereof of the Agreement shall not be affected thereby.

This Agreement contains all of the covenants, stipulations and provisions agreed upon by the parties.

DATED: _____

EMPLOYEE RELATIONS OFFICER OF THE
CITY OF DAVIS

By: _____

Timothy Annis

Shawn Kinney

Paul Swanson

Joseph Tenney