MEMORANDUM OF UNDERSTANDING

Between

DAVIS CITY EMPLOYEES ASSOCIATION

And

THE CITY OF DAVIS

July 1, 2017 to June 30, 2021
## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>PREAMBLE</td>
<td>5</td>
</tr>
<tr>
<td>ARTICLE I. RECOGNITION</td>
<td>6</td>
</tr>
<tr>
<td>ARTICLE II. ASSOCIATION RIGHTS</td>
<td>7</td>
</tr>
<tr>
<td>A Payroll Deductions</td>
<td>7</td>
</tr>
<tr>
<td>B Conference Leave</td>
<td>7</td>
</tr>
<tr>
<td>C Stewards</td>
<td>7</td>
</tr>
<tr>
<td>D Association Leave</td>
<td>8</td>
</tr>
<tr>
<td>E Agency Shop</td>
<td>8</td>
</tr>
<tr>
<td>ARTICLE III. EMPLOYEE RIGHTS</td>
<td>9</td>
</tr>
<tr>
<td>ARTICLE IV. CITY RIGHTS</td>
<td>10</td>
</tr>
<tr>
<td>ARTICLE V. GRIEVANCE PROCEDURE</td>
<td>11</td>
</tr>
<tr>
<td>ARTICLE VI. COMPENSATION</td>
<td>12</td>
</tr>
<tr>
<td>A Market Adjustment</td>
<td>12</td>
</tr>
<tr>
<td>B Cost of Living Increases</td>
<td>12</td>
</tr>
<tr>
<td>C One Time Off Salary Schedule Payment</td>
<td>12</td>
</tr>
<tr>
<td>D Pension Cost Share</td>
<td>12</td>
</tr>
<tr>
<td>E Longevity</td>
<td>14</td>
</tr>
<tr>
<td>F Merit Salary Adjustments (MSA)</td>
<td>14</td>
</tr>
<tr>
<td>G Certification Pay</td>
<td>14</td>
</tr>
<tr>
<td>H Uniform Allowance</td>
<td>15</td>
</tr>
<tr>
<td>I Safety Boot Allowance</td>
<td>16</td>
</tr>
<tr>
<td>J Tool Allowance</td>
<td>16</td>
</tr>
<tr>
<td>K Standby Pay</td>
<td>16</td>
</tr>
<tr>
<td>ARTICLE VII. HOURS OF WORK, OVERTIME, AND SCHEDULING</td>
<td>17</td>
</tr>
<tr>
<td>A Rest Break for 10 Hour Shifts</td>
<td>17</td>
</tr>
<tr>
<td>B Rest Breaks for 8 Hour Shifts</td>
<td>17</td>
</tr>
<tr>
<td>C Work Week</td>
<td>18</td>
</tr>
<tr>
<td>D Compensatory Time</td>
<td>18</td>
</tr>
<tr>
<td>ARTICLE VIII. BENEFITS</td>
<td>19</td>
</tr>
<tr>
<td>A Flexible Benefit Plan (Cafeteria Plan)</td>
<td>19</td>
</tr>
<tr>
<td>B Health Benefits Contribution</td>
<td>19</td>
</tr>
<tr>
<td>C PEMHCA</td>
<td>20</td>
</tr>
<tr>
<td>D Cash In-Lieu</td>
<td>20</td>
</tr>
<tr>
<td>E Dental Benefits Contribution</td>
<td>21</td>
</tr>
<tr>
<td>F Life Insurance &amp; Long Term Disability Benefit</td>
<td>21</td>
</tr>
<tr>
<td>G Optional Benefits</td>
<td>21</td>
</tr>
<tr>
<td>ARTICLE IX. PERS RETIREMENT SYSTEM</td>
<td>23</td>
</tr>
<tr>
<td>A Public Employees Retirement System (PERS)</td>
<td>23</td>
</tr>
<tr>
<td>B 1959 Survivor Benefits</td>
<td>23</td>
</tr>
<tr>
<td>C Medical Benefit Premiums for Retirees</td>
<td>24</td>
</tr>
<tr>
<td>D Dental Benefits for Retirees</td>
<td>25</td>
</tr>
<tr>
<td>ARTICLE X. DEFERRED COMPENSATION</td>
<td>26</td>
</tr>
<tr>
<td>ARTICLE XI. LEAVES AND ATTENDANCE</td>
<td>27</td>
</tr>
<tr>
<td>A Vacation</td>
<td>27</td>
</tr>
<tr>
<td>B Cash Out of Vacation Leave</td>
<td>28</td>
</tr>
<tr>
<td>C Sick Leave</td>
<td>28</td>
</tr>
</tbody>
</table>

DCEA MOU 7/1/17 to 6/31/21
<table>
<thead>
<tr>
<th></th>
<th>Table of Contents – Continued</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>D</td>
<td>Parental Leave</td>
<td>30</td>
</tr>
<tr>
<td>E</td>
<td>Year End Voluntary Time Off</td>
<td>30</td>
</tr>
<tr>
<td>F</td>
<td>Holidays and Holiday Pay</td>
<td>30</td>
</tr>
<tr>
<td>G</td>
<td>In Lieu of Holiday Leave – Workers on Irregular Work Week</td>
<td>31</td>
</tr>
<tr>
<td></td>
<td>ARTICLE XII. EMPLOYEE EDUCATION</td>
<td>33</td>
</tr>
<tr>
<td></td>
<td>ARTICLE XIII. MISCELLANEOUS</td>
<td>37</td>
</tr>
<tr>
<td>A</td>
<td>Memorandum of Understanding</td>
<td>37</td>
</tr>
<tr>
<td>B</td>
<td>Alternatives to Employee Layoffs</td>
<td>37</td>
</tr>
<tr>
<td>C</td>
<td>Notification of New Job Classifications</td>
<td>37</td>
</tr>
<tr>
<td>D</td>
<td>Mileage Reimbursement</td>
<td>37</td>
</tr>
<tr>
<td>E</td>
<td>AB 119 Compliance</td>
<td>37</td>
</tr>
<tr>
<td>F</td>
<td>Other Terms: Supersedence; Need to Further Meet &amp; Confer</td>
<td>39</td>
</tr>
<tr>
<td></td>
<td>ARTICLE XIV. SAVINGS CLAUSE</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>ARTICLE XV. DURATION AND IMPLEMENTATION</td>
<td>41</td>
</tr>
<tr>
<td></td>
<td>Exhibit A</td>
<td>42</td>
</tr>
</tbody>
</table>
RESOLUTION NO. 18-193, SERIES 2018

RESOLUTION ADOPTING A MEMORANDUM OF UNDERSTANDING
WITH DAVIS CITY EMPLOYEES ASSOCIATION

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 representatives of the Davis City Employees Association, the recognized employee organization for the General and General Supervisory Units, as designated in said resolution, have met and conferred in good faith; and

WHEREAS, the City Council of the City of Davis previously passed a Memorandum of Understanding with Davis City Employees, which expired June 30, 2009; and

WHEREAS, due to negotiation cycles after 2009 which did not result in a successor agreement, much of the prior MOU has remained in force and effect, supplemented by imposed terms in November 2013; and

WHEREAS, in accordance with said Memorandum, the City Manager and his representatives and the Davis City Employees have reached agreement in regards to a successor agreement; and

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

WHEREAS, this Council finds that the provisions and agreements contained in said Memorandum, as amended, are fair and proper and in the best interests of the City.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Davis does hereby adopt the terms and conditions contained in said Memorandum of Understanding, subject to ratification by Davis City Employees.

PASSED AND ADOPTED by the City Council of the City of Davis on this 13th day of November, 2018, by the following vote:

AYES: Arnold, Carson, Frerichs, Partida, Lee

NOES: None

Brett Lee
Mayor

ATTEND:
Zoe S. Mirabile, CMC
City Clerk
MEMORANDUM OF UNDERSTANDING
WITH
DAVIS CITY EMPLOYEES ASSOCIATION
PREAMBLE

This Memorandum of Understanding is made and entered into by and between the CITY OF DAVIS, hereinafter referred to as “City”, and DAVIS CITY EMPLOYEES ASSOCIATION, hereinafter referred to as “DCEA” or “Association”, on behalf of all employees of the General and General Supervisory Units represented by Association, pursuant to California Government Code sections 3500 et seq., and City Resolution No. 1303, Series 1973, dated June 26, 1973, for submission to the City Council of the City of Davis for ratification as set forth in Government Code Section 3505.1 and Article VIII of City Resolution No. 1303, Series 1973.

The parties agree that this Memorandum of Understanding shall be submitted to the City Council with the joint recommendation of the designated representatives of the parties that the body resolve to adopt its terms and conditions and to take such other and additional action as may be necessary to implement its provisions.

The parties have met and conferred in good faith through their designated representatives concerning those matters set forth in Government Code § 3504 and have reached agreement thereon as set forth below.

The term “Agreement” as used herein means the written agreement provided for under §3505.1 of the Government Code.
ARTICLE I

RECOGNITION

The City recognizes DCEA, affiliated with Teamsters Local 150, as the exclusive bargaining representative for employees holding job classifications assigned to the General and General Supervisory bargaining unit.
ARTICLE II
ASSOCIATION RIGHTS

A. PAYROLL DEDUCTIONS

The City agrees to deduct and transmit to DCEA all authorized sums from the pay warrants of DCEA bargaining unit members as may be permitted by law. DCEA shall provide the City with a certified notice of Association membership, dues/assessment amounts and any changes in Association membership.

As required by law and this Agreement, DCEA shall defend, indemnify and hold the City harmless against any and all claims, demands, expenses, suits, orders, judgments or other forms of liability that shall arise out of or by reason of action taken by the City under this article.

B. CONFERENCE LEAVE

City agrees to allow the bank of hours agreed upon in Article II.D to be used by members of the Association selected by Association from among the employees in the units covered by this Memorandum of Understanding to attend conferences that are specifically directed to the subject of employer-employee relations. City shall assume no obligation whatsoever for any costs or expenses that are incurred in connection with the attendance of the designated Association member at such conference; nor will City grant any benefits of any kind to the extent that such designated employee member of the Association attends the conference while not regularly scheduled to be on duty.

C. STEWARDS

The City recognizes that DCEA assigns regular, full-time City employees to serve as “Stewards” who represent the Association to handle grievances pertaining to the employer-employee relations resolutions (Resolution No. 1303, Series 1973). A current list of Stewards shall be made available to the City together with any changes thereto.

Association will not exceed one (1) Steward per following workgroup area: Parks, Public Works/general, Wastewater Treatment Plant.

The Stewards' shall be as follows: to investigate and discuss a grievance with any employee within his or her area of representation. If, after a discussion, there is a valid reason for the grievance to be filed, the Steward may assist the employee in presenting the grievance at the appropriate step of the procedure.

It is agreed that Stewards shall keep to a minimum the on-duty time spent in the performance of their duties as outlined in this section and at all other times continue to perform their assigned jobs.

A Steward shall request permission from his or her supervisor to conduct, on City time, Association business falling within the provisions of this section only in an emergency situation. The supervisor
may grant such activity time after considering the needs of the City and the individual Steward's work assignment. The Steward shall state the nature of his or her activity and the approximate amount of time requested. He or she shall report to his or her supervisor upon completing such activity. Every effort shall be made by the Steward to conduct Association business at the end of his or her regularly assigned shift.

D. ASSOCIATION LEAVE

The City agrees to establish a bank of hours to be utilized by DCEA officials and members for DCEA business and/or training. Utilization of this bank will be at the rate of no more than ten (10) hours per month. Time may be granted, with approval, to attend conference or training. This bank will consist of 120 hours per calendar year and does not carry over to future years. The City will contribute seventy (70) hours annually to this bank, and the membership using the bank will contribute one-half (1/2) hour of vacation annually. Such leave will not result in loss of compensation or benefits, including credit for vacation, holiday, and sick leave. Such leave will not constitute a break in the employee’s continuous service for the purposes of salary adjustments, sick leave, vacation or seniority. Requests to utilize the association leave bank must be made not less than two days in advance of the requested leave period, and the City reserves the right to refuse DCEA leave requests due to work requirements.

For hours in excess of 120 hours per calendar year, the City shall be reimbursed by the Association for all compensation paid the employee on account of such leave and for any incidental costs.

E. AGENCY SHOP

It is recognized that DCEA owes the same responsibilities to all employees in the representation unit, and has a duty to provide fair and equal representation to all employees in all classes in the unit whether or not they are members of DCEA.

As described above in Section II.A., and in accordance with applicable law, the City shall deduct from a represented employee’s pay (and remit to DCEA) DCEA dues, fees, premiums for insurance programs, political action fund and other contributions, and any special membership assessments (collectively, “contributions”), as established and as may be changed from time to time by DCEA. When DCEA adjusts the level of contributions, DCEA shall provide written notice to the City. The City shall continue to deduct and remit contributions until it receives notice of revocation from DCEA, or it receives an order from a court or an administrative body directing the City to discontinue the deduction for one or more employees.
ARTICLE III

EMPLOYEE RIGHTS

Employees of the City shall have the right to form, join and participate in the activities of an employee organization of their own choosing for the purpose of representation on matters of employer-employee relations, including but not limited to wages, hours, and other terms and conditions of employment. Employees of the City also shall have the right to refuse to join or participate in the activities of employee organizations and shall have the right to represent themselves individually in their employment relations with the City. Employees have the rights as provided in the City's Employer/Employee Relations Resolution No. 1303, Series 1973 as amended.
ARTICLE IV

CITY RIGHTS

The rights of the City include, but are not limited to, the exclusive right to determine the mission of its constituent departments; set standards of service; determine the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action for proper cause; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of governmental operations; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; and exercise control and discretion over its organization and the technology of performing its work. Provided, however, that the exercise of such exclusive rights is undertaken in accordance with the Meyers-Milias-Brown Act, including the obligation to provide advance notice and the opportunity to meet and confer over the impacts of management decisions on matters within the scope of representation. DCEA also retains the right to file grievances with the City regarding the practical consequences that management decisions may have on employees.
ARTICLE V

GRIEVANCE PROCEDURE

The Grievance Procedure currently contained in Article VIII of the City of Davis Personnel Rules & Regulations, passed and adopted by the City Council on September 13, 2000, and may be amended in the future, shall be incorporated herein by reference and shall be applicable to all grievances relating to all disputes arising out of the interpretation of this Memorandum of Understanding. This reference shall not limit, in any way, the rights of any employee to grieve those matters subject to grievance as delineated in Article VIII of the Personnel Rules and Regulations.
ARTICLE VI

COMPENSATION

A. MARKET ADJUSTMENT
Bargaining unit classifications identified in the total compensation study conducted in 2017 as being more than 5.26% below the market median total compensation (See Exhibit A for list of those classifications) will have their base hourly pay rate increased to 5.26% below the market median (total compensation) effective the pay period beginning November 19, 2018.

B. COST OF LIVING SALARY INCREASES

Effective the pay period beginning December 3, 2018, employees covered by this Agreement will receive a two percent (2%) cost of living salary increase.

Effective the pay period beginning December 17, 2018, employees covered by this Agreement will receive a two percent (2%) cost of living salary increase.

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

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

C. ONE-TIME NOT REPORTABLE OFF SALARY SCHEDULE PAYMENT

Employees actively employed as of the date of ratification by the Association membership and the date of the payment set forth below will receive a one-time off-salary schedule payment on or about December 21, 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 July 1, 2018 times 2080 hours, pro-rated for staff working less than full-time), and pro-rated based on date of hire for those first employed after July 1, 2017. The one-time payment amount shall further include a calculation based on 4% of the employee’s annual base pay (based on pay rate as shown on salary table as of July 1, 2018 times 80 hours times 11 pay periods, pro-rated for staff working less than full time), and pro-rated based on date of hire for those first employed after July 1, 2018. 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.

D. PENSION COST SHARE

Beginning on 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%) per year, as described below. These cost sharing contributions or wage increases to base pay, if applicable, shall continue beyond the
expiration of the MOU and shall constitute the status quo for all purposes until the parties mutually agree to alternative terms and conditions or until alternative terms and conditions are imposed subsequent to the exhaustion of the applicable impasse procedures. Future cost sharing formulas/wage formulas shall be subject to the meet and confer process as required by law.

1. 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%.)

2. 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 total 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 the 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).
E. **LONGEVITY**

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 employees the longevity pay indicated below:

<table>
<thead>
<tr>
<th>Service Term</th>
<th>Longevity Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>After ten (10) years of service with the City</td>
<td>2.5% increase above base salary</td>
</tr>
<tr>
<td>After twenty (20) years of service with the City</td>
<td>Additional 2.5% increase above base salary</td>
</tr>
</tbody>
</table>

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

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.

F. **MERIT SALARY ADJUSTMENTS (MSA)**

Movement between steps in the salary range shall be paid upon merit and effective performance. Upon written recommendation of the appropriate supervisor, an employee who is eligible for a MSA may be moved to the next step of the salary range effective on the due date after completion of the required qualifying service after appointment, last MSA, promotion, or reclassification.

G. **CERTIFICATION PAY**

Employees engaged in duties where use of the certifications below is not required by the Job Description but is assigned to the individual on a regular, on-going basis, who maintain certification in good standing, shall be eligible to receive 2.5% calculated on base salary. Employees may be approved for more than one certification and may be tasked with duties utilizing all certificates listed below, but in no event shall earn more than 5% Certification Pay. It is recognized there may be employees who hold such certification but are not regularly and consistently assigned duties requiring such certification and are therefore, not eligible to receive certification pay.

1. Qualified Applicator Certification
2. Playground Inspector Certification
3. Irrigation Auditor Certification
Certification 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.

H. UNIFORM ALLOWANCE

Whereas DCEA employees are not eligible for a uniform allowance, non-safety uniform expenditures are required to be referenced in this Agreement and reported to CalPERS on a per pay period basis for Classic members. The value of the uniform expenditures shall not exceed $600 annually per person. Classifications required to wear a uniform with approved City logo includes maintenance and custodial classifications up to and including Crew Supervisors. The actual value of uniform (rental and maintenance or purchase) to be reported as special compensation shall be based on the uniform the employee receives/wears as compiled in a list annually.

For CalPERS Classic members, the value of uniform clothing items and maintenance of such items is considered special compensation and will be reported to CalPERS each pay period.

I. SAFETY BOOT ALLOWANCE

Association members required to wear safety boots in the performance of their duties are eligible to receive an annual (One reimbursement per twelve month period) reimbursement of up to $250.00 for the purchase of safety boots.

In the event of unusual and excessive wear and tear, an employee may be reimbursed for an additional pair at the discretion of the department head.

All DCEA members are required to wear safety boots in the performance of some or all duties and therefore, are eligible for safety boot allowance.

In accordance with CalPERS, Safety Boot Allowance is not reportable as special compensation.

J. TOOL ALLOWANCE

Association members in the classifications listed below are expected to provide and maintain their own work tools. In consideration of replacement costs or purchase of new tools as needed, a tool allowance of $700 per fiscal year, payable at the start of each fiscal year, upon receipt of an updated tool inventory to be completed by each employee receiving the allowance.

In accordance with CalPERS, Tool Allowance is not reportable as special compensation.
K. **STANDBY PAY**

Employees represented by DCEA Association may be eligible for Standby Pay. Current Standby Pay is defined by the Public Works Emergency Standby Pay Handbook. The City and Association agree to continue meeting regarding the Standby Pay policy. Until such time as a side letter agreement is reached on this matter, the status quo shall be maintained.
ARTICLE VII

HOURS OF WORK, OVERTIME, AND SCHEDULING

The standard work week for all employees shall be from 12:01 a.m. Monday to midnight the following Sunday. The standard work schedule for full time employees shall be 40 hours per work week.

When an employee is required to work part or all of his or her regularly scheduled meal period, such time will be considered time worked. In such a case, the meal period may be re-scheduled by the supervisor.

A. REST BREAK FOR 10 HOUR SHIFTS

The basic intent is to provide three daily rest breaks: Two fifteen minute rest breaks, and one ten minute rest break.

The fifteen minute period is the total rest period time for each of two of the day's breaks, and any travel time is to be included as part of the fifteen minute period. The ten minute period is the total rest period for one of the day's breaks, and any travel time is to be included as part of the ten minute period.

The rest break(s) shall be scheduled on as flexible a basis as possible, taking into account the need to provide continuing services and the intent to provide three rest breaks daily, if possible. No more than two such rest periods shall occur in any half of the work period.

If circumstances result in the loss of a rest break, or two or three, on any given day, the break time is lost and shall not be taken on any other subsequent day.

A rest break, or breaks, shall not be accumulated or eliminated on any day as a method of reducing the time in a total daily work period. For example, it is not appropriate to skip a rest break in order to take an extra fifteen minutes at lunch time. It would also not be appropriate to skip a break, or breaks, and come in late at the start of the daily work period, or leave early at the end of the daily work period.

B. REST BREAKS FOR 8 HOUR SHIFTS

The basic intent is to provide two daily rest breaks of fifteen minutes each: fifteen minutes during the first half of the work period, and fifteen minutes during the last half of the work period. The fifteen minute period is the total rest period, and any travel time is to be included as part of the fifteen minute period.

The rest break(s) shall be scheduled on as flexible a basis as possible, taking into account the need to provide continuing services and the intent to provide two rest breaks daily, if possible.
If circumstances result in the loss of a rest break, or both rest breaks, on any given day, the break time is lost and shall not be taken on any other subsequent day.

A rest break, or breaks, shall not be accumulated or eliminated on any day as a method of reducing the time in a total daily work period. For example, it is not appropriate to skip a rest break in order to take an extra fifteen minutes at lunch. It would also not be appropriate to skip a break, or breaks, and come in late at the start of a daily work period, or leave early at the end of the daily work period.

C. WORK WEEK SCHEDULE: OVERTIME

Authorized time worked in excess of 40 hours in a work week is overtime. Paid holiday, paid sick leave, paid vacation, and compensatory time off shall not be counted as time worked for purposes of this article.

D. COMPENSATORY TIME

All overtime shall be compensable by cash or compensatory time off, as determined by the employee and approved by the supervisor, at a rate of 1 1/2 times the straight time rate of pay for authorized work performed in excess of 40 hours per week. In accordance with IRS regulations regarding constructive receipt, employee wishing to have overtime compensated as compensatory time off shall provide written notice of such election prior to working the overtime hours.

Compensatory time off shall be taken on a date mutually agreed upon by the employee and the supervisor with due consideration given to the needs of the City and current departmental workloads. Each employee shall be allowed to accrue 120 hours of compensatory time off. Once cap is reached all overtime shall be paid in the pay period worked in accordance with the FLSA.

In accordance with Treasury Regulation Section 1.457-4(d)(1), employees may elect to contribute accrued Compensatory Time to their 457(b) plan under the following restrictions:

(a) Employee must make an irrevocable advanced election in December or June to contribute all future Compensatory Time that has not yet accrued to the 457(b) plan for the six (6) month period beginning January 1st or July 1st. Once elected, all overtime earned during the election period will be treated as CTO and the value of said CTO will be deposited into the employee’s 457(b) plan.

(b) The value of leave converted into a contribution to the 457(b) plan must not, when added to other deferrals made during the plan year, exceed the maximum deferral limitations in the year of deferral (including catch-up if applicable).

(c) The contribution to the 457(b) plan is subject to FICA taxes pursuant to Section 3121(v)(2) of the IRS Code.

(d) Ability to contribute accrued leave time to the 457(b) is subject to plan provisions for the plan in which the employee is enrolled.
ARTICLE VIII

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") 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.
   (a) Employees who fail to complete this requirement will be enrolled in the lowest cost health insurance policy the City offers through CalPERS.
   (b) 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.
   (c) 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 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. If rates do not change or go down, the base line remains the same. If rates go up, a new base line is established for the next year.

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

Subject to the terms below, bargaining unit employees with alternative group health coverage (i.e., coverage through another employer such as a spouse’s or parent’s employer), 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.

In accordance with the Affordable Care Act, an “alternative group health plan” is one that is a health plan sponsored by an employer, not a personal plan or a government sponsored plan (examples of unacceptable plans would include but are not limited to: Medicare, Medi-cal, or an individual health plan obtained through Covered California). As such, employees electing to opt out of City medical coverage who have coverage through a plan that is not an alternative group health plan are ineligible to receive cash in lieu. Proof of other coverage will be required on an annual basis, as well as a signed affidavit confirming coverage is through a plan qualifying for cash in lieu.

Employees hired before November 13, 2018 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 November 13, 2018 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. The 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 Association member’s cafeteria benefit plan the amount to purchase a $30,000 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 $30,000 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 Association 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 2/3% 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) or medical expenses (Unreimbursed Medical 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 the unreimbursed medical 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 Association, at no cost to the City.
ARTICLE IX

CalPERS RETIREMENT SYSTEM

A. CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (CalPERS)

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

1. MISCELLANEOUS EMPLOYEE RETIREMENT
   (a) 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”).

   The City shall continue providing classic members with the CalPERS “2.5% at 55” local retirement plan. Classic members as defined by CalPERS 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.

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

   The City shall continue providing PEPRA members as defined by CalPERS with the CalPERS “2% at 62” local retirement plan. PEPRA members shall per statute contribute fifty percent (50%) of the normal cost, as determined by CalPERS annually, 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. SURVIVORS’ BENEFITS

The City agrees to continue the increased Level Four (4) 1959 Survivor’s Benefits Payments as permitted by Government Code section 21574, as set forth below:

<table>
<thead>
<tr>
<th>Beneficiary</th>
<th>Monthly Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Spouse and two or more dependent children, or three or more dependent children alone:</td>
<td>$2,280.00</td>
</tr>
<tr>
<td>2. Spouse and one dependent child, or two dependent children alone:</td>
<td>$1,900.00</td>
</tr>
<tr>
<td>3. Spouse alone, age 62, or one dependent child alone</td>
<td>$950.00</td>
</tr>
</tbody>
</table>
4. If there is no spouse or dependent child, then to each 
dependent parent (age 62): $950.00

C. 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 from City of Davis service or as a 
result of disability, on or before December 31, 2019 – City shall contribute to eligible 
retirees up to 100% of the premium for the group health insurance plan available from 
Kaiser-Davis for employee plus two or more dependents.

2. Employees hired before July 1, 1996, who have continuously worked for the City and 
retire after December 31, 2019 will receive the following retiree medical benefit:

(a) Employees who retire from City service or as a result of disability- City shall 
contribute to eligible retirees up to an amount equal to 100% of the premium for the 
group health insurance plan available from Kaiser-Davis for retired Employees plus 
one dependent 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-Davis 
rate for employee plus one dependent. For retirees enrolled in 2-party or family 
coverage, the applicable combination rate for 2-party coverage will apply until retiree 
and dependent are both medicare eligible.

3. Employees hired on or after July 1, 1996, but before November 13, 2018, will receive 
the following retiree medical benefit.

(a) Employees who retire from 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-Davis for retired Employees plus 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 100% of the CalPERS-
Davis rate for employee plus one dependent. Once the employee has transferred to a 
Medicare plan, the City will pay the Medicare Supplemented/Managed Medicare 
monthly rate based on the CalPERS-Davis rate for employee plus one dependent. For 
retirees enrolled in 2-party or family coverage, the applicable combination rate for 2-
party coverage will apply until retiree and dependent are both medicare eligible.

4. Employees hired on or after November 13, 2018 - City shall contribute to eligible 
retirees an amount equal to the Medicare Supplemented/Managed Medicare monthly 
rate based on the CalPERS-Davis rate for employee plus one dependent based on 
status (based on either single or dual coverage). For employees hired on or after (date 
of ratification), five years of City service is required to be eligible for this benefit. It
is understood that this vesting requirement will go into effect upon approval of equal vesting for all miscellaneous employees.

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.

8. All contributions shall be made pursuant to the City’s PEMHCA resolution and Government Code section 22892. All contributions referenced in Article IX.C. above include the minimum contribution.

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

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

11. Pursuant to CalPERS regulations, retirees must enroll in CalPERS PEMHCA medical within 120 days of separation. Retirement includes service retirement and approved disability retirement.

D. 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 or more dependents.
ARTICLE X

DEFERRED COMPENSATION

The City agrees to continue to contract with ICMA Retirement Corporation and PERS 457 for deferred compensation plans entitling any employee to defer receipt of a portion of their salary until the individual employee's retirement, permanent disability, death, or other time jointly agreed upon between the individual employee and the City. The City and Association agree that the City shall make no contribution to these plans on behalf of enrolled employees.

The City agrees that it shall provide for and administer any payroll deduction necessitated by any employee's enrollment in these plans and shall be solely responsible for the procurement and administration of the contract necessitated by this section.
ARTICLE XI

LEAVES AND ATTENDANCE

A. VACATION

The purpose of annual vacation leave is to enable each eligible employee annually to return to his or her work mentally refreshed. As noted in the Personnel Rules, all regular full-time employees and all regular part-time employees who work more than 1040 hours per year are eligible to earn vacation leave.

Regular part-time employees who work less than full time, but more than 1040 hours a year, may earn vacation on a prorated basis. For example, those employees who work three-quarters time (approximately 1560 hours) may earn three-quarters of the vacation leave applicable to their years of service.

For purposes of computing annual vacation leave, a working day shall be considered as one-fifth of the number of working duty hours in the established work week. Employees shall be credited with vacation leave according to the following schedule:

<table>
<thead>
<tr>
<th>Years of Employment</th>
<th>Vacation Days Earned Per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-3  (hire to end of 3rd yr)</td>
<td>15</td>
</tr>
<tr>
<td>4-5  (beginning 4th yr to completion of 5th yr)</td>
<td>17</td>
</tr>
<tr>
<td>6-10 (beginning 6th yr to completion of 10th yr)</td>
<td>20</td>
</tr>
<tr>
<td>11  (beginning 11th yr)</td>
<td>23</td>
</tr>
<tr>
<td>12  (beginning 12th yr)</td>
<td>24</td>
</tr>
<tr>
<td>13  (beginning 13th yr)</td>
<td>25</td>
</tr>
<tr>
<td>14  (beginning 14th yr)</td>
<td>26</td>
</tr>
<tr>
<td>15  (beginning 15th yr)</td>
<td>27</td>
</tr>
<tr>
<td>16+  (beginning 16th yr)</td>
<td>28</td>
</tr>
</tbody>
</table>

The times during a calendar year at which an employee may take his or her vacation shall be determined by the department head with due regard for the wishes of the employee and 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 his or her annual vacation in a particular calendar year, such vacation either shall be taken during the following calendar year or paid for at the discretion of the City Manager.

Any eligible employee, with the consent of his or her department head, may defer as many working days of his or her annual vacation as he or she accumulates during a given year to the succeeding calendar year, subject to other provisions of this rule. A written report of each deferred vacation signed by the proper department head, noting the details, shall be kept on file with the Human Resources Division.
In the event one or more municipal holidays fall within an annual vacation leave, such holidays shall not be charged as vacation leave, and the vacation leave shall be extended accordingly. Employees who terminate employment shall be paid in a lump sum for all accrued vacation leave earned prior to the effective date of termination.

B. CASH OUT OF VACATION LEAVE

Employees are encouraged to take their vacation off with pay. However, employees who have at least ten (10) years of service with the City and a minimum of one (1) year’s vacation accruals “on the books” (prior to the cash out) may cash out (sell back) up to eighty (80) hours of vacation. In compliance with IRS regulations, employees must make an irrevocable election to receive a cash payment of vacation leave hours prior to accruing those hours. Employees must submit an irrevocable election form to Human Resources no later than December 31 of the year prior to the year in which the vacation leave will be accrued and paid out. An employee may cash out the apportioned hours throughout the year, limited to the amount of vacation leave accrued as of the time of the cash out. For example, a full-time employee accruing eighty (80) hours of vacation 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. In no event will apportioned hours be carried over from one calendar year to the next.

C. 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 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.

5. 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.
D. PARENTAL LEAVE

The existing Parental Leave Policy shall remain in effect.

E. YEAR END VOLUNTARY TIME OFF

Between Christmas and New Years, all employees are encouraged to take vacation or comp-time off. It is understood that there are employees involved in essential operations who may not be able to take time off at this time. The City Manager will determine before the Holiday Season which, if any, city facilities will be closed the week of Thanksgiving and between Christmas and New Years and what days those facilities will be closed. For the days that city facilities are closed, if and when employee utilizes leave without pay, the City agrees (for this purpose only) to waive the provision of the Personnel Rules that provides that 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. City also agrees (for this purpose only) not to adjust or reduce health, dental, life insurance benefits, leave time accruals or seniority for the period an employee on leave without pay due to the City's year-end closure. Only the employee's pay will be adjusted.

F. HOLIDAYS AND HOLIDAY PAY

1. The holidays to be observed by the City are as follows:
   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).

   (a) 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.

   (b) 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.

   (c) Whenever the application of sections (a) and (b) 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.

   (d) Employees whose regular work day normally consists of more than eight (8) hours shall not be entitled to use more than eight (8) hours of holiday per day.
(e) All miscellaneous employees shall receive holiday pay in the form of salary at straight time for each recognized holiday.

2. Floating Holidays

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.

3. Holiday Hours Worked

Employees who work on a holiday recognized by the City shall be compensated for the time actually worked on the recognized holiday, either:

(a) Wages at a rate of double time, or

(b) Straight time off within the same work week subject to advanced approval by the department head based upon the work situation at the time.

The compensation for holiday hours worked shall be in addition to the holiday pay specified above.

G. IN LIEU OF HOLIDAY LEAVE -- WORKERS ON AN IRREGULAR WORK WEEK

1. Employees who normally work an irregular work week (i.e., other than Monday through Friday) shall be entitled to the same amount of time off for holidays as those who work a regular work week. Any employee who works an irregular work week shall be credited with straight time off as in lieu of Holiday Time.

At the end of the calendar year, each department shall submit to the City Manager a report which reflects the following data:

(a) Names of employees who worked an irregular work week during the preceding calendar year;

(b) The holidays that were actually lost as a result of the irregular work schedule, as verified by actual time card audit; and

(c) The total number of 'lost' hours.

After inspection and validation, the City Manager shall authorize those employees to be credited with the additional vacation hours for these lost holidays. The actual adjustment will be a one-time, lump-sum adjustment.

2. As an alternative to the procedure set forth above, and subject to the limitation regarding the number of holiday hours allowed per day, the affected employee may
request a different day off (or a combination of 1 day's hours off on one or more days) during the same work week as the holiday occurs. The Department Head may, at his or her discretion, approve such request.
ARTICLE XII

EMPLOYEE EDUCATION

A. TUITION AND REQUIRED BOOK REFUND POLICY

1. Policy Objective
   To encourage the training of employees in subjects which would be of substantial benefit to the CITY as well as themselves.

2. Procedures
   All requests for approval of tuition and required books refund shall be submitted to the Human Resources Division in writing. Such requests shall describe the nature of the training to be entered into, the cost of such training, and comments with respect to its applicability to the particular employee's job.

   a. Upon compliance with the requirements of the City's existing Tuition Reimbursement Policy, the full cost of tuition and required books shall be paid for those courses, approved by the Human Resources Administrator, as being of substantial benefit to the CITY. One-half the cost of tuition and required books may be paid for other training, depending upon degree of benefit to CITY versus employee.

   b. For approved training extending over a period of time exceeding two weeks, the CITY shall refund to the employee all or one-half of the cost of tuition and required books, upon presentation of evidence that such training has been completed satisfactorily. In the event that the employee is financially unable to advance the cost of tuition and required books, the CITY shall, upon written request and agreement by the employee, advance the cost of tuition and required books, subject to reimbursement by the employee, should he or she fail to satisfactorily complete such training, and authorize the CITY to deduct such cost from the payroll in such event.

   c. Tuition and required book costs for approved short courses or institutes less than two weeks shall be paid initially by the CITY.
3. General
   a. All City employees who complete training under the tuition and books refund program shall submit evidence of this to their department head who shall forward it to the Human Resources Division. This evidence shall be placed in the employee's personnel file for permanent record.

   b. The cost of this program shall be borne by the employee’s department.
ARTICLE XIII

MISCELLANEOUS

A. MEMORANDUM OF UNDERSTANDING

The City and Association recognize and agree to be bound by the notice requirements of Government Code Section 3504.5 and Article XII of Resolution Number 1303, Series 1973, (Employer-Employee Relations Resolution) regarding notification concerning proposed actions directly relating to matters within the scope of representation.

The City agrees to duplicate the full and complete text of this Memorandum of Understanding and all exhibits thereto and to make copies available to all employees covered by this Memorandum upon request at no cost to Association or to any employee, within thirty (30) days after ratification of this agreement.

B. ALTERNATIVES TO EMPLOYEE LAYOFFS

The City agrees to notify Association prior to implementing an employee layoff which would impact Association represented employees. Association may then request meetings to explore implementation of layoffs and to present alternative cost savings measures which would eliminate or minimize the need to layoff employees. Such alternatives shall include, but not be limited to, voluntary reduced work time, retraining, job sharing, early retirement, unpaid leaves of absences, furloughs, attrition, and revenue increases. Nothing in this section shall prohibit the City from laying off employees pursuant to the City’s layoff procedure.

C. NOTIFICATION OF NEW JOB CLASSIFICATIONS

The City agrees to notify Association of the creation of any new job classifications and its unit designation. The City shall assign new or revised classes to bargaining units pursuant to criteria set forth in the City’s Employee Relations Policy.

D. MILEAGE REIMBURSEMENT

All mileage reimbursements will be reimbursed in accordance with IRS rates as adopted by City policy.

E. AB 119 COMPLIANCE

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

1. The City will provide the Association 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 Association with ten (10) calendar days’ advance notice. The advance notice will include the number of Association bargaining unit 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 Association’s choice.

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

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

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

5. Information Requirements – The City will provide the Association with a digital file via email to the email address designated by the Association 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)

   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.
F. OTHER TERMS: SUPERSEDENCE; NEED TO FURTHER MEET AND CONFER

The parties agree that the terms and conditions of this Memorandum of Understanding are intended to supersede any contrary provisions in prior memorandums and in the policies and regulations of the City, insofar as the same are known to the parties at the time of execution of this memorandum. It is recognized that there may be circumstances which arise beyond the control of the parties, such as requirements of federal or state law, city voter initiatives, or similar matters which could render certain provisions of this memorandum inoperable or which could require the parties to meet and confer in good faith to harmonize any conflicts.

It is further recognized by the parties that, from time to time, matters may arise which require the parties to meet and confer on issues not contemplated at the time of the execution of this memorandum and nothing herein shall preclude the parties from meeting and conferring and making changes to this memorandum as may be appropriate.

Except as otherwise noted herein, if the provisions of this Agreement are inconsistent with the Personnel Rules, the terms of this Agreement shall apply.
ARTICLE XIV

SAVINGS CLAUSE

Should any provision of this Agreement become invalid or unlawful by virtue of any legislative enactment, administrative regulation or by declaration of any court of competent jurisdiction, such action shall not invalidate the remainder of the Agreement. Any provision(s) that becomes unlawful by virtue of the above shall cause the parties to meet and negotiate solely for the purpose of arriving at mutually satisfactory replacement provisions that are valid and lawful. Any provision(s) of this Agreement not declared invalid shall remain in full force and effect for the life of this Agreement.
ARTICLE XV

DURATION AND IMPLEMENTATION

This Memorandum of Understanding shall remain in full force and in effect from July 1, 2017 up to and including June 30, 2021.

Any time after January 1, 2021, either party may initiate negotiations via written correspondence to the other party on a successor memorandum of understanding. The parties agree to begin negotiations within 30 days after receipt of the written notice.

DATED: 11-13-2018

EMPLOYEE RELATIONS OFFICER OF THE CITY OF DAVIS

By: [Signature] Mike Webb

DAVIS CITY EMPLOYEES ASSOCIATION

By: [Signature] Dave Owen

By: ____________________________
**EXHIBIT A**

<table>
<thead>
<tr>
<th>BENCHMARKED CLASSIFICATIONS</th>
<th>LINKED CLASSIFICATIONS</th>
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<tbody>
<tr>
<td>Building Maintenance Worker II</td>
<td>Building Maintenance Worker I</td>
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<tr>
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<td>Building Maintenance Crew Supervisor* (Y)</td>
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<tr>
<td>Equipment Mechanic II</td>
<td>Equipment Mechanic I</td>
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<tr>
<td>Public Works Maintenance Worker II</td>
<td>Collections System Technician</td>
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<td>Collections System Worker</td>
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<td>Collections System Supervisor</td>
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<td>Custodian II</td>
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<td>Irrigation Crew Supervisor</td>
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<td>Irrigation Specialist</td>
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<td>Park Maint Crew Supervisor</td>
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<td>Park Maintenance Worker I</td>
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<td>Parks Supervisor</td>
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<td>Pool Maintenance Crew Supvr</td>
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<td>Public Works Crew Supervisor</td>
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<td>Public Works Maint Wkr I</td>
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<td>Public Works Supervisor</td>
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<td>Senior Parks Supervisor</td>
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<td>Sr PW Collections Supervisor</td>
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<td>Stock Clerk</td>
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<td>Environmental Lab Supervisor</td>
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<tr>
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<td>Senior Electrician</td>
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<td>WWTP Operator I</td>
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<td>WWTP Senior Operator</td>
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<td>WWTP Sr Maintenance Technician</td>
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DCEA MOU 7/1/17 to 6/31/21