

RESOLUTION NO. 20-137, SERIES 2020

RESOLUTION APPROVING SIDE LETTER AMENDING THE MEMORANDUM OF UNDERSTANDING WITH DAVIS FIRE MANAGEMENT UNIT

WHEREAS, the City of Davis and the Davis Fire Management Unit have met and conferred in good faith in accordance with the provisions of the Meyers-Milias-Brand Act of the California Government Code; and

WHEREAS, the parties have reached agreement on the attached side letter (Exhibit A) to the Memorandum of Understanding that was adopted for the term July 1, 2019 to June 30, 2023; and

WHEREAS, the parties agree to cost savings by way of employee furloughs as per the terms of the side letter.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Davis does hereby adopt the terms and conditions contained in said Side Letter and directs the City Manager to take all steps that are proper and necessary to implement this agreement.

PASSED AND ADOPTED by the City Council of the City of Davis on this 15th day of September, 2020, by the following vote:

AYES: Arnold, Carson, Frerichs, Lee, Partida

NOES: None



Gloria J. Partida
Mayor

ATTEST:



Zee S. Mirabile, CMC
City Clerk

THE CITY OF DAVIS
AND
DAVIS FIRE MANAGEMENT UNIT
SIDE LETTER AGREEMENT
TO
JANUARY 1, 2016 – JUNE 30, 2023
MEMORANDUM OF UNDERSTANDING

WHEREAS, the CITY is facing a dramatic reduction in revenues due to the COVID19 crisis,
and;

WHEREAS, the parties have met and agreed to amend the terms and conditions of
employment to capture savings and avoid potential layoffs;

NOW THEREFORE, the parties agree as follows:

- Furlough Pay Reduction:
 - Effective the pay period following approval of this side letter employees will participate in a furlough program equal to a 56-hour reduction in paid time between 7/1/2020 and 6/30/2021.
 - Equates to a reduction in pay of 2.50% for the duration of the furlough reduction period over the course of the pay reduction period.
 - To ensure the pay reduction amount is achieved over the course of the furlough period where fire employees who work 24-hour shifts may have worked differing amounts of total hours by June 27, 2021 – the actual pay reduction will be calculated on the bi-weekly pay amount rather than the hourly pay amount. This will result in the actual pay reduction value being the same each pay period, regardless of the hours actually worked in a particular work week.
 - Example: Assuming furlough pay reduction is effective the pay period beginning September 21, 2020 and continues through the pay period ending June 27, 2021 – this equates to 20 pay periods. Employees work an average of 112 hours bi-weekly times 21 weeks = 2240 regularly scheduled work hours. 56 furlough hours divided by 2240 hours = a pay reduction of 2.50%. If an employee's base hourly rate is \$37 per hour, the employee's bi-weekly base pay is \$4,144. The employee will see a pay reduction each pay period of \$103.60 (2.50%).
 - Special compensation paid as a percentage of pay will be calculated based on the reduced earnings.

- Base hourly rate (salary table hourly rate) does not change as a result of the furlough for purposes of compensation reporting to CalPERS.
- Special compensation is reported to CalPERS as earned and is, therefore impacted by furloughs.
- To the extent permitted by CalPERS, in the event an employee retires within 12 months of the furlough pay reduction program, CalPERS will utilize a worksheet to capture the lost value of special compensation for the purpose of accurately calculating retirement payments.
- Furlough leave bank.
 - A furlough leave bank shall be established in the amount of 56 hours.
 - Furlough leave must be scheduled in advance. Back filling to meet minimum staffing requirements shall not result in overtime as a result of a scheduled furlough leave day.
 - Scheduling of a furlough leave day shall count towards the allowable number of employees able to be on vacation on a single day.
 - Due to minimum staffing requirements, furlough leave time shall be treated as time worked for purposes of overtime calculation.
 - If employee leaves City employment having used more furlough leave hours than the corresponding value of pay reduction, the hours will be deducted from the employee's vacation leave back prior to separation. If the vacation leave bank is not sufficient to repay these hours, the value will be deducted from the employee's final pay check.
 - Unused furlough leave hours have no cash value.
 - Furlough leave must be used within 24 months from start of the furlough reduction (anticipated to be September 7, 2021).

City of Davis




 Mike Webb, City Manager

9/15/20

 Date

Davis Fire Management Unit



 Bobby Weist

9/11/20

 Date



 Paul Swanson

9/11/20

 Date