

RESOLUTION NO. 16-077

**RESOLUTION APPROVING THE MEMORANDUM OF UNDERSTANDING
BETWEEN THE DIXON PUBLIC SAFETY MID MANAGER'S ASSOCIATION AND
THE CITY OF DIXON FOR THE PERIOD OF JULY 1, 2016 THROUGH JUNE 30, 2019
AND APPROVE A 2016-17 BUDGET AMENDMENT**

WHEREAS, the City of Dixon and the Dixon Public Safety Mid Manager's Association (DPSMMA), have bargained in good faith to bring forward the terms of a new Memorandum of Understanding; and

WHEREAS, the Memorandum of Understanding, attached as Exhibit A, covers a three year term effective July 1, 2016 and concluding June 30, 2019; and

WHEREAS, the City Council has reviewed the Memorandum of Understanding between the City of Dixon and DPSMMA and finds it in conformance with the direction provided to the City's labor negotiators; and

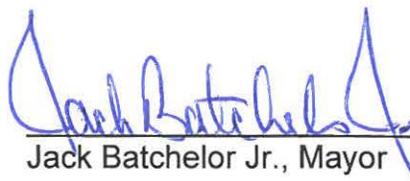
WHEREAS, to account for the increases to salaries and benefits associated with approval of this MOU, a 2016-17 budget amendment is necessary to appropriate the funds.

NOW, THEREFORE, BE IT RESOLVED, that the Memorandum of Understanding between the City of Dixon and DPSMMA, attached hereto as Exhibit A is hereby approved; and

BE IT FURTHER RESOLVED, that the City of Dixon Fiscal Year 2016-17 Budget is amended by \$23,322.

**PASSED AND ADOPTED AS A RESOLUTION AT A REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF DIXON on JUNE 28, 2016.**

AYES: Bird, Castanon, Hickman, Pederson, Batchelor
NOES: None
ABSTAIN: None
ABSENT: None



Jack Batchelor Jr., Mayor

ATTEST:


Suellen Johnston, City Clerk

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF DIXON
AND
DIXON PUBLIC SAFETY MID-MANAGEMENT ASSOCIATION
(DPSMMA)

JULY 1, 2016
THROUGH
JUNE 30, 2019

Adopted by
Resolution 16-077
June 28, 2016

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
DIXON PUBLIC SAFETY MID-MANAGEMENT ASSOCIATION
AND THE CITY OF DIXON**

TABLE OF CONTENTS

| | |
|---------------------|--|
| ARTICLE I. | GENERAL PROVISIONS |
| 1.1 | GENERAL PROVISIONS |
| 1.2 | TERM |
| 1.3 | NEGOTIATIONS |
| 1.4 | REOPENER LANGUAGE |
| ARTICLE II. | COMPENSATION |
| 2.1 | SALARY |
| 2.2 | EQUITY |
| 2.3 | STANDBY PAY |
| 2.4 | SALARY RANGE SEPARATION |
| ARTICLE III. | INCENTIVE PAYS |
| 3.1 | EDUCATION INCENTIVE |
| 3.2 | BILINGUAL INCENTIVE |
| 3.3 | LONGEVITY INCENTIVE |
| 3.4 | PHYSICAL FITNESS INCENTIVE |
| ARTICLE IV. | UNIFORMS, EQUIPMENT AND DRIVERS LICENSE |
| 4.1 | POLICE LIEUTENANTS/CAPTAINS |
| 4.2 | FIRE DIVISION CHIEFS |
| 4.3 | CLASS A OR CLASS B DRIVERS LICENSE |
| ARTICLE V. | RETIREMENT |
| 5.1 | PERS RETIREMENT |
| 5.2 | DEFERRED COMPENSATION PLANS |
| 5.3 | PERS RETIREMENT PLAN AMENDMENTS |
| ARTICLE VI. | HEALTH AND RELATED |
| 6.1 | MONTHLY BENEFIT ALLOWANCE |
| 6.2 | DEPENDENT STATUS CHANGE/VERIFICATION |
| 6.4 | CALPERS MEDICAL UNEQUAL CONTRIBUTION METHOD |
| 6.4 | IRC SECTION 125 PLAN (CAFETERIA PLAN) |
| 6.5 | LONG TERM DISABILITY INSURANCE |

| | |
|----------------------|---|
| 6.6 | MEDICAL AFTER RETIREMENT |
| 6.7 | EMPLOYEE ASSISTANCE PROGRAM |
| ARTICLE VII. | WORK ASSIGNMENTS |
| 7.1 | WORK SCHEDULE |
| ARTICLE VIII. | LEAVES |
| 8.1 | SICK LEAVE |
| 8.2 | VACATIONS |
| 8.3 | HOLIDAYS |
| 8.4 | ADMINISTRATIVE LEAVE |
| ARTICLE IX. | MISCELLANEOUS |
| 9.1 | DIRECT DEPOSIT |
| 9.2 | VEHICLE POLICY |
| 9.3 | DRUG AND ALCOHOL TESTING |
| 9.4 | CONTRACTING OUT |
| 9.5 | SALARY SURVEY |
| 9.6 | GRIEVANCE PROCEDURES, DISCIPLINARY ACTIONS AND APPEAL PROCEDURES |
| 9.7 | RETROACTIVE PAY |
| 9.8 | ONGOING DISCUSSION |
| 9.9 | FIRE STRIKE TEAM |
| ARTICLE X. | MANAGEMENT RIGHTS |
| 10.1 | MANAGEMENT RIGHTS |
| 10.2 | PRODUCTIVITY |
| 10.3 | MAINTENANCE OF MEMBERSHIP |
| ARTICLE XI. | ADMINISTRATIVE PROVISIONS |
| 11.1 | PRIOR AGREEMENTS |
| 11.2 | ALTERATION |
| ARTICLE XII. | APPROVAL AND RATIFICATION |

**ARTICLE I
GENERAL PROVISIONS**

1.1 General Provisions

1.1.1 This Memorandum of Understanding (“MOU”) has been executed by the City Manager on behalf of the Dixon City Council (“City”) and representatives of the Dixon Public Safety Mid Management Association, (“DPSMMA”) or “Association”, on behalf of the Association.

1.1.2 This MOU applies to employees in the following classifications:

Fire Division Chief
Police Captain
Police Lieutenant

1.1.3 The Association is a recognized employee organization within the meaning of the City's rules regarding Employer/Employee Relations, Chapter 2 of the City's Personnel Rules.

1.1.4 The Association is the only employee organization which is entitled to meet and confer with the City on behalf of permanent employees employed by the City in the classifications represented by the Association.

1.1.5 Representatives of the City and the Association have met and conferred, pursuant to the provisions of the Meyers-Milias-Brown Act and the City's rules regarding Employer/Employee Relations for the purpose of reaching an agreement concerning all matters within the scope of representation.

1.1.6 An agreement has been reached.

1.1.7 The City's rules regarding Employer/Employee Relations, as may be amended from time to time after meeting and conferring with the Association, are hereby incorporated in this document by reference.

1.2 Term

1.2.1 Except where the context otherwise determines or the MOU otherwise provides, the provisions of this MOU shall apply and shall remain in full force and effect from July 1, 2016 through June 30, 2019 and for such reasonable time thereafter as may be required to ratify, revise and supersede such provisions by action taken by the parties after good faith negotiations.

1.3 Negotiations

1.3.1 The City and the Association agree to begin negotiations for the contract period beginning July 1, 2019 no later than April 1, 2019.

1.4 Reopener Language

1.4.1 The City and the Association agree that before June 2019 the meet and confer process shall be convened if the City's General Fund Reserve drops to fifteen percent (15%) or below.

**ARTICLE II
COMPENSATION**

2.1 Salary

2.1.1 Salary Schedule

Effective the July 10, 2016 the Salary Schedule shall be revised. This revision shall reflect an increase in base salary of two and a half percent (2.5%).

2.1.2 Effective July 9, 2017 the Salary Schedule shall be revised. This revision shall reflect an increase in base salary of two and a half percent (2.5%).

2.1.3 Effective July 8, 2018 the Salary Schedule shall be revised. This revision shall reflect an increase in base salary of two and a half percent (2.5%).

2.2 Equity

2.2.1 The class(es) listed below shall receive equity adjustments during the term of this agreement. These increases shall occur concurrently, but will not compound, with increases set forth in Section 2.1.1., 2.1.2 and 2.1.3. Equity adjustments for the listed positions shall be effective the first full pay period after July 1 of the year indicated.

| <u>Class</u> | <u>2016</u> |
|---------------------|-------------|
| Fire Division Chief | 1.0% |
| Police Captain | 1.0% |
| Police Lieutenant | 1.0% |

| <u>Class</u> | <u>2017</u> |
|---------------------|-------------|
| Fire Division Chief | 1.5% |
| Police Captain | 1.5% |
| Police Lieutenant | 1.5% |

| <u>Class</u> | <u>2018</u> |
|---------------------|-------------|
| Fire Division Chief | 2.0% |
| Police Captain | 2.0% |
| Police Lieutenant | 2.0% |

2.3 Standby Pay

2.3.1 Fire Division Chiefs shall be paid at the rate of four hundred dollars (\$400.00) per week of assigned standby (prorated for less than full week assignments as follows: forty dollars (\$40.00) per weekday evening, and one hundred dollars per (\$100.00) per weekend day (and one hundred dollars (\$100.00) per day on

holidays as defined in Article 8.3). While the Fire Division Chiefs are working on behalf of the City of Winters under an Agreement approved by the City Council on October 28, 2014; they will be paid at the rate of eighty dollars (\$80.00) per weekday evening, two hundred (\$200.00) per weekend day, and two hundred (\$200.00) per holiday as defined in Article 8.3.

2.3.2 Stand-by duty requires that the employee:

- Be ready to respond immediately when called for emergency service;
- Be reachable by telephone, pager, vehicle radio or cellular phone;
- Remain within a reasonable distance from the City to be able to respond to the scene of the emergency within a reasonable time, approximately one-half (½) hour; and,
- Refrain from activities which might impair the ability of the employee to perform the assigned duties.

2.3.3 Should an employee who is not assigned to standby duty carry a pager or cellular telephone for his or her personal convenience, the employee shall not be compensated for stand-by nor shall the employee be required to respond if paged or telephoned. Employees carrying a pager or cellular telephone but not compensated for stand-by shall not be restricted in their activities, location or availability.

2.4 Salary Range Separation

2.4.1 Effective for the term of this agreement, the percentage differential between top step of the Police Lieutenant classification and top step of the Police Sergeant classification shall not be less than fifteen percent (15%) and the percentage differential between the top step of the Fire Division Chief classification and the top step of the Fire Captain classification shall not be less than fifteen percent (15%).

**ARTICLE III
INCENTIVE PAYS**

3.1 Education Incentive

3.1.1 Employees in the classification of Police Lieutenant and Police Captain shall be eligible to receive the Police Professionalization Program.

3.1.1.1 Police Lieutenants and Police Captains shall be entitled to receive two and one-half (2.5%) of base pay for either the possession of a POST Intermediate Certificate or the completion of sixty (60) college semester units.

3.1.1.2 Police Lieutenants and Police Captains shall be entitled to receive five percent (5%) of base pay for either the possession of a POST Advanced Certificate or the completion of one hundred twenty (120) college semester units.

3.1.1.4 The requirements for the POST Certificates are those set forth by the California Commission on Peace Officer Standards and Training.

3.1.1.5 It is the employee's responsibility to provide Human Resources with satisfactory proof of possession of Certificates and/or College Units or Degrees. Upon receipt and confirmation of documentation, Human Resources shall initiate a Personnel Action Form to add or change the incentive pay. The appropriate incentive pay shall be added to each paycheck issued to the participant while qualified under this program. The effective date of any increase in the level of participation shall be at the beginning of a pay period following receipt of satisfactory proof of Certification or College Units or Degrees.

3.1.1.6 Incentive pay for participation in this program shall be payable, while on probation, and only while the employee is actively employed as a Police Lieutenant and Police Captain with the City. The incentive pay shall be in addition to base pay and is taxable and subject to PERS regulation at the time of payment. Incentive pay shall not be payable during the term of a disciplinary suspension, disability retirement, long term disability, or when on leave of absence without pay.

3.1.1.7 These incentive pays are not cumulative.

3.1.2 Fire Education Incentive for incumbent Fire Division Chiefs prior to July 1, 2014.

- 3.1.2.1 Incumbent employees hired into the class of Fire Division Chiefs prior to July 1, 2014, shall receive a five (5%) percent Education Incentive to base salary.
- 3.1.3 Fire Education Incentive Program for Fire Division Chiefs Hired after July 1, 2014
 - 3.1.3.1 Eligible employees who earn a BA/BS degree shall be entitled to receive two hundred and ten dollars (\$210.00) per month.
 - 3.1.3.2 Eligible employees who earn a “Chief Fire Officer” certificate shall be entitled to receive two hundred and ten dollars (\$210.00) per month.
 - 3.1.3.3 It is the employee’s responsibility to provide Human Resources with satisfactory proof of possession of certificates and/or college units or degrees. Upon receipt and confirmation of the documentation, Human Resources shall initiate a Personnel Action Form to add or change the incentive pay. The appropriate incentive pay shall be added to each paycheck issued to the participant while qualified under this program. The effective date of any increase in level of participation shall be at the beginning of a pay period following receipt of satisfactory proof of certification or college units or degrees.
 - 3.1.3.4 Incentive pay for participation in this program shall be payable, while on probation, and only while the employee is actively employed as a Fire Division Chief with the City. The incentive pay shall be in addition to base pay and is taxable and subject to PERS regulation at the time of payment. Incentive pay shall not be payable during the term of a disciplinary suspension, disability retirement, long term disability, or when on leave of absence without pay.
- 3.1.4 Unit employees who have completed probationary status are eligible to participate in the Educational Reimbursement Program as described in the City of Dixon Educational Reimbursement Program Administrative Policy and Procedure or as may be amended from time to time.

3.2 Bilingual Incentive

- 3.2.1 Effective during the term of this MOU, individuals who apply for and are certified by the City to possess appropriate Spanish language skills shall receive one hundred dollars (\$100.00) per month. Certification or recertification of bilingual skills may be required every three (3) years. Certification or recertification shall be at the City’s discretion and expense.

3.3 Longevity Incentive

3.3.1 To encourage and reward employee longevity, the City will provide the following longevity incentives upon employee permanent status anniversary date:

Completion of seven (7) years of service to the City of Dixon: two percent (2%) of base pay
Completion of eleven (11) years of service to the City of Dixon: two percent (2%) of base pay
Completion of fifteen (15) years of service to the City of Dixon: three percent (3%) of base pay
Completion of twenty (20) years of service to the City of Dixon: one percent (1%) of base pay

3.3.2 The incentives are cumulative, not compounded, and cannot exceed eight percent (8%).

3.4 Physical Fitness Incentive

3.4.1 Employees in the classification of Police Lieutenant and Police Captain shall be eligible to receive Physical Fitness Incentive benefits. Receipt of benefit shall be subject to and in conformance with all rules and regulations governing said program.

3.4.1.1 Compensation for Police Lieutenants and Police Captains participation in the Police Physical Fitness Program is as follows:

- One hundred and twenty dollars (\$120.00) per month for employees achieving the “gold” rating.
- Ninety-five dollars (\$95.00) per month for employees achieving the “silver” rating.
- Seventy dollars (\$70.00) per month for employees achieving the “bronze” rating.

3.4.2 Employees in the classification of Fire Division Chief shall be eligible to receive Physical Fitness Incentive. Receipt of benefit shall be subject to and in conformance with all rules and regulations governing said program.

3.4.2.1 Compensation for employees’ participation in the Fire Physical Fitness Program is as follows: One hundred and fifty dollars (\$150.00) per month for employees achieving a “passing” rating.

3.4.2.2 Administrative procedures for employee participation and testing for this program will be developed as Internal Departmental Standard Operating Procedures.

**ARTICLE IV
UNIFORMS, EQUIPMENT AND DRIVERS LICENSE**

4.1 Police Lieutenants and Police Captains

- 4.1.1 Employees in the classification of Police Lieutenant and Police Captain shall receive Uniform Allowance benefits.
 - 4.1.1.1 Employees in the classification of Police Lieutenant and Police Captain shall receive the following uniform allowance during the term of this MOU: eight hundred and fifty dollars (\$850.00) per year.
 - 4.1.1.2 Employees shall receive their uniform allowance for the preceding six (6) months on a semi-annual basis (January & July).
 - 4.1.1.3 Any extraordinary costs necessitated by a City ordered change in the basic uniform required to be worn by employees shall be borne by the City.
 - 4.1.1.4 The Basic Daily Uniform “BDU” will be the standard dress code for sworn officers while on duty.
 - 4.1.1.5 The City will continue to provide soft body armor safety vests to represented safety (sworn) employees at a cost not to exceed six hundred and fifty dollars (\$650.00).

4.2 Fire Division Chiefs

- 4.2.1 Employees in the classification of Fire Division Chief shall receive Uniform Allowance benefits.
 - 4.2.1.1 Employees shall receive a uniform allowance of eight hundred and fifty dollars (\$850.00) per year during the term of this MOU.
 - 4.2.1.2 Employees shall receive their uniform allowance for the preceding six (6) months on a semi-annual basis (January & July).
 - 4.2.1.3 Any extraordinary costs necessitated by a City-ordered change in the basic uniform required to be worn by employees shall be borne by the City.

4.3 Class A or B Drivers License and/or Endorsements

- 4.3.1 The City shall pay any costs for individuals taking required examinations for a Class A or B driver’s license and/or endorsements, provided that the individual is required by the City, by virtue of the requirements of his or her job classification, to maintain a Class A or B license and/or endorsements.

ARTICLE V RETIREMENT

5.1 PERS Retirement

5.1.1 The City will continue its participation in the State of California Public Employees' Retirement System (PERS) for safety employees as follows:

Police Lieutenants and Police Captains:

Tier One – Applicable to employees who are not defined as “New Members” in Government Code Section 7522.04 and were hired before November 20, 2011 are eligible for a 3% @ 50 benefit formula.

Tier Two – Applicable to employees who are not defined as “New Members” in Government Code Section 7522.04 and were hired on/after November 20, 2011 are eligible for a 3% @ 55 benefit formula.

Tier Three – Applicable to employees who are defined as “New Members” in Government Code Section 7522.04 and were hired on/after January 1, 2013 are eligible for the 2.7% @ 57 benefit formula.

Fire Division Chiefs:

Tier One – Applicable to employees who are not defined as “New Members” in Government Code Section 7522.04 and were hired before August 12, 2012 are eligible for a 3% @ 50 benefit formula.

Tier Two – Applicable to employees who are not defined as “new Members” in Government Code Section 7522.04 and were hired on/after August 12, 2012 are eligible for a 3% @ 55 benefit formula.

Tier Three - Applicable to employees who are defined as “New Members” in Government Code Section 7522.04 and were hired on/after January 1, 2013 are eligible for the 2.7% @ 57 benefit formula.

5.2 Deferred Compensation Plans

5.2.1 All employees covered by this MOU may participate in the Deferred Compensation Plans offered by the City by directing a portion of their salary or their flexible benefit on a tax deferred basis via payroll deduction. Current federal regulations concerning maximum annual contributions apply. See current plan for details.

5.3 PERS Retirement Plan Amendments

5.3.1 Military Buy Back

The City has amended its contract with PERS to provide the PERS Optional Benefit Section 21024 -- Military Service Credited to Public Service. Participation in this program benefit is at the option and total expense of the employees, including any and all employee, employer and/or accrued interest costs.

5.3.2 PERS coverage for Permanent Part-Time Employees

The City has amended its PERS contract to cover permanent part-time employees who work at least twenty (20) hours per week.

5.3.3 Employee PERS Contributions

Tier One and Two - Employees shall contribute nine percent (9%) for Public Safety, employee's contribution.

Tier Three –New members shall contribute fifty percent (50%) of the total normal cost, unless otherwise determined annually by CalPERS, of the PERS retirement plan.

5.3.4 Employer PERS Contributions

Employees shall also contribute an additional amount towards the employer share of PERS contributions, as follows:

Tier One and Two - Fire Division Chiefs shall continue to contribute 7.2% toward the employer share of PERS contributions (making the baseline total contribution for Fire Division Chiefs 16.2%).

Tier One and Two - Police Captains and Lieutenants shall continue to contribute six percent (6%) toward the employer share of PERS contributions (making the baseline total contribution for Police Captains and Lieutenants 15%).

**ARTICLE VI
HEALTH AND RELATED**

6.1 Monthly Benefit Allowance

6.1.1 Effective July 1, 2014 the City shall contribute to each employee's Monthly Benefit Allowance ("MBA") as follows:

Full-Time employees:

| | |
|---------------------------------|------------|
| Employee only | \$ 920.00 |
| Employee + one (1) | \$1,130.00 |
| Employee + two or more (family) | \$1,305.00 |

6.1.2 Effective this pay date, January 13, 2017 the City shall contribute to each employee's MBA as follows:

| | |
|---------------------------------|---|
| Employee only | \$ 920.00 |
| Employee + 1 dependent | \$1,130.00 |
| Employee + 2 or more dependents | \$70% of the Kaiser (Bay Area) Employee + two or more (family) rate |

Effective the first pay period in which the 2018 CalPERS health rates apply (January 12, 2018 paycheck), the City will continue to contribute 70% of the Kaiser (Bay Area) 2018 rate for the Employee + two or more (family) rate.

Effective the first pay period in which the 2019 CalPERS health rates apply (January 11, 2019 paycheck), the City will continue to contribute 70% of the Kaiser (Bay Area) 2019 rate for the Employee + two or more (family) rate.

6.1.3 Permanent Part-Time Employees (working 20 hours per week or more) are eligible for a pro-rate share based on the number of hours regularly worked as taxable income.

6.1.4 If no medical plan is chosen the unit member receives six hundred dollars (\$600.00) per month of the MBA as taxable income. Permanent part-time unit members receive a pro-rata share of the six hundred dollars (\$600.00) per month of the MBA based on the number of hours regularly worked as taxable income.

6.2 Dependent Status Change/Verification

6.2.1 If an employee's dependent status changes, the employee is responsible for notifying Human Resources within thirty (30) days of the effective date of the change to ensure that the City's contribution rate is properly adjusted if necessary.

The employee's new rate will take effect on the first of the month following the prior's month's notification. Under no conditions will a rate change be made retroactive to this date. Failure to notify Human Resources of such a change within thirty (30) days could result in the employee being held financially responsible for any benefit overpayment. The employee will be required to reimburse the City via payroll deduction for any such benefit overpayment.

- 6.2.2 On an annual basis, the City will require the employee to verify his or her dependent status in writing to ensure that the City is contributing the appropriate amount toward health and dental insurance premiums, and Monthly Benefit Allowance options. The City will use the PERS definition of the term "dependent." The City reserves the right to conduct random checks of dependent status.

6.3 CalPERS Medical Unequal Contribution Method

- 6.3.1 From the appropriate MBA amount set forth above, the City will contribute under the PERS Medical Unequal Contribution Method for each unit member, the amount necessary to pay the costs of his or her enrollment, including the enrollment of family members in the CalPERS health benefits plan.
- 6.3.2 The City will contribute under the PERS Medical Unequal Contribution Method for each annuitant the amount necessary to pay for the costs of his or her enrollment, including the enrollment of family members in the CalPERS health benefits plan.
- 6.3.3 The City shall pay the current CalPERS monthly administrative fees.

6.4 IRC Section 125 Plan (Cafeteria Plan)

- 6.4.1 The City will maintain an IRC Section 125 Plan (Cafeteria Plan) for the benefit of employees.
- 6.4.2 After making the required contribution for medical insurance under the PERS Medical Unequal Contribution Method, the remaining dollars may be used by the unit member either to purchase medical insurance through CalPERS Health or to purchase any other optional plans that may be offered by the City in accordance with a qualified plan.
- 6.4.3 Plans currently offered include: Dental, Voluntary Vision, Long Term Care, Voluntary Group Life Insurance, and Supplemental Insurance Options.

- 6.4.4 The choice of insurance plan(s) is made once a year by employees during the open enrollment period, at time of hire for new employees, or when the employee's dependent status changes. Insurance premiums may be deducted from gross pay each payroll period throughout the plan year. Deductions from gross pay are the same as pre-tax contributions.
- 6.4.5 All employees shall be covered by a health insurance plan, either as offered by the City or from another source
- 6.4.5.1 If a unit member is covered by a health insurance plan other than offered by the City, he or she has the option to waive the City's health insurance.
- 6.4.5.2 The unit member must complete a City provided Health Insurance Waiver Form and provide proof of alternative health insurance plan coverage.
- 6.4.6 Flexible Spending Account ("FSA") – Unreimbursed Medical/Dependent Care
- 6.4.6.1 FSA participation begins January 1st of each year. Allocation amounts and/or modifications to these accounts must be determined for a full twelve (12) month period (i.e., the calendar year) during the open enrollment period, at time of hire for new employees, or when an employee's dependent status changes. Services must be received during the plan period, which is January 1 through December 31. Any unused allocations will be forfeited. For plan details, contact Human Resources. Administration costs associated with the Flexible Spending Account plan(s) will be paid by the City.

6.5 Long Term Disability Insurance

- 6.5.1 The City shall provide for a long term disability plan for all employees who are regularly scheduled to work thirty (30) hours per week or more. The monthly premium is paid by the City. Employees are entitled to benefits after sixty (60) calendar day's absence due to disability/illness and in accordance with the Personnel Rules and Regulations governing extended medical absence from the workplace due to illness or disability.

6.6 Medical After Retirement

- 6.6.1 For employees who retire from the City of Dixon, the City will pay, on a monthly basis after retirement, the dollar equivalent of one (1) month's premium for the PERS Kaiser Plan (County rate in which you reside, i.e., Bay Area or Sacramento Area) for the employee plus one dependent at the rate of one (1) month's premium for each full year worked in the employ of the City of Dixon prior to

retirement. The total time period of these payments shall not exceed twenty-four (24) months. Said payment shall be extended to the surviving spouse or dependent of a deceased retiree, to the extent that said payments would have been made had the employee not died. Thereafter, for CalPERS retirees enrolled in CalPERS Retiree medical, the City shall contribute the PERS Medical Unequal Contribution, as required by CalPERS.

6.7 Employee Assistance Program

6.7.1 The City will maintain in effect an Employee Assistance Program. For further information, contact Human Resources.

**ARTICLE VII
WORK ASSIGNMENTS**

7.1 Work Schedule

7.1.1 The City has established a workweek schedule consisting of forty (40) hours per week in increments of four (4) ten (10) hour workdays or five (5) eight (8) hour workdays. Employees assigned to this unit are considered exempt from the Fair Labor Standards Act ("FLSA").

**ARTICLE VIII
LEAVES**

8.1 Sick Leave

8.1.1 General

The purpose of sick leave is to provide income protection if an employee must be absent from work due to his or her injury or illness or due to the illness or injury of a family member. A family member includes child (including step-child), parent (including step-parent or parent-in-law), spouse, registered domestic partner, grandparent, grandchild, or sibling. Sick leave may be used only in the case of sickness, disability, medical or dental care.

8.1.2 Accrual

Full-time employees will accrue sick leave at the rate of eight (8) hours for each full month of service completed. There is no maximum accrual of sick leave credits.

Permanent part-time employees accrue sick leave on a pro-rated basis depending on the number of hours they are regularly scheduled to work.

8.1.3 Payment

For employees that have completed at least two (2) years of service to the City and subsequently retires from the City, a portion of his or her accrued unused sick leave may be converted to cash upon retirement from the City according to the following schedule:

| Years of Service | Conversion Percentage |
|-------------------------|---|
| 1 – 2 | 0% |
| 3 – 5 | 20% |
| 6 – 10 | 30% |
| 11 + | 30% + 2% for each year after ten (10) to a maximum of 50% |

For retiring employees, any portion of the sick leave balance that is not cashed out is placed into the PERS sick leave conversion program.

8.1.4 Family Illness

The City shall provide all rights and benefits due employees in accordance with the Family Medical Leave Act (“FMLA”), the California Family Rights Act (“CFRA”), and any other Federal or State laws governing employees leave rights.

8.1.5 Sick Leave Bank

The Sick Leave Bank Program agreed to by City and Association or as may be amended hereinafter will be available to the Association members during the term of this MOU.

8.1.6 Bereavement Leave

In the event of a death in the immediate family, each full-time or benefitted part-time employee will be granted up to three (3) working days of paid bereavement leave per incident.

As soon as the need for a bereavement leave is known, the employee, or someone on his or her behalf, must notify the employee's immediate supervisor. The employee is responsible for certifying as to his or her need for the use of a bereavement leave on a City approved Request for Bereavement Leave Form.

All bereavement leave must be used within fourteen (14) calendar days following the death of the immediate family member. Under extreme circumstances, the fourteen (14) day requirement may be waived by the City Manager. The decision of the City Manager in this regard shall be final, with no process for further appeal.

8.2 Vacations

8.2.1 Accrual Rates

Full-time employees will accrue vacation leave at the following rates:

- 3.7 hours biweekly from initial date of hire through the first five (5) completed years of employment (12 days annually, i.e. 96 hours).
- 4.62 hours biweekly after five (5) completed years of employment (15 days annually, i.e. 120 hours).
- 6.16 hours biweekly after ten (10) completed years of employment (20 days annually, i.e. 160 hours).

Permanent part-time employees earn vacation on a pro-rated basis depending on the number of hours they are regularly scheduled to work. The proration is based on a full-time, forty (40) hours per week position earning vacation at the rates listed above.

The maximum vacation balance allowed is two times the current annual accrual. Upon separation, employees are entitled to receive payment at their current base pay for all vacation time accrued but not taken as of the effective date of separation.

8.2.2 Advancement of Vacation Accrual Rate

Employees will be eligible to apply prior years of service employed as a Police Officer or Fire Fighter with a California City, County, State Agency or other agency recognized in the State of California as a Police or Fire Department for the purpose of vacation accrual rate. To be eligible for advancement to a higher accrual rate, requests must be made on the approved form and approved by the City Manager. Approved requests will be effective the first pay period following the date the completed form is received in Human Resources.

8.3 Holidays

8.3.1 The following Holidays are recognized by the City:

| | |
|--------------------------|-------------------------------|
| January 1 | New Years Day |
| 3rd Monday in January | Martin Luther King's Birthday |
| 3rd Monday in February | Washington's Birthday |
| Last Monday in May | Memorial Day |
| July 4th | Independence Day |
| 1st Monday in September | Labor Day |
| November 11 | Veterans Day |
| 4th Thursday in November | Thanksgiving Day |
| 4th Friday in November | Day after Thanksgiving Day |
| December 24 | Day before Christmas |
| December 25 | Christmas |

8.3.2 When a holiday falls on a Sunday, the following Monday is observed.

When a holiday falls on a Saturday, the preceding Friday is observed.

8.3.2.1 Floating Holidays

Employees who work a regular 40-hour work week shall be compensated at the rate of eight (8) hours per holiday. During the fiscal year, the City will provide two (2) floating holidays per employee, which may be taken by the employee at the time selected by the employee and subject to operational requirements and approval of the Department Head.

8.3.2.2 Floating Holidays - Permanent Part-Time Employees

Permanent part-time employees shall receive holiday compensatory pay on a pro-rated basis depending on the number of hours they are regularly scheduled to work. During the fiscal year, the City will provide the pro-rata share of two (2) floating holidays per employee which may be taken by the employee at a time selected by the employee and subject to operational requirements and approval of the Department Head.

8.3.3 Floating Holiday Cash Out

Once per year, during the first full payroll period of January, the City will automatically “cash out” accumulated floating holidays at the employee’s regular rate of pay.

8.4 Administrative Leave

8.4.1 Employees will receive one hundred and four (104) hours of administrative leave in recognition of extra hours required by the position and emergency overtime hours worked.

8.4.2 Fifty percent (50%) of the administrative leave total can be cashed out each year upon request. The permissible cash-out shall increase by five (5) percent each year commencing with the fifth (5th) year of employment to a maximum of eighty percent (80%) as noted below. Any existing time balance as of June 30 will be lost. Payout may be taken in cash, or directed toward a Deferred Comp Plan subject to annual limits. Upon termination, the employee may be paid for accrued unused administrative leave.

| | |
|------------|--------------|
| Year 1:50% | Year 6:60% |
| Year 2:50% | Year 7:65% |
| Year 3:50% | Year 8:70% |
| Year 4:50% | Year 9:75% |
| Year 5:55% | Year 10: 80% |

8.4.3 Employees hired after July 1 of the fiscal year shall be entitled to a pro-rated share of administrative leave based upon the number of full pay periods remaining in that fiscal year.

8.4.4 Upon separation from service, the employee shall be paid for a pro-rated share of administrative leave based upon the number of full pay periods remaining in the fiscal year of separation.

**ARTICLE IX
MISCELLANEOUS**

9.1 Direct Deposit

9.1.1 The City shall continue to make available to employees a Direct Deposit system.

9.2 Vehicle Policy

9.2.1 City vehicle use is to be consistent with the City of Dixon Vehicle Use Policy as may be amended from time to time. City vehicles are to be used for official City business. When using a City vehicle, employees should always be aware of the public's perception with regard to the type of establishment visited, the purpose of the stop, and the length of the stop. Unless otherwise stated, all mileage reimbursement will be in accordance with IRS rates.

9.3 Drug and Alcohol Testing

9.3.1 City will comply with all applicable Federal regulations governing workplace anti-drug programs in the transportation industry. The City and Association have agreed on implementation of these regulations through the City of Dixon Substance Abuse Policy.

9.4 Contracting Out

9.4.1 Not less than sixty (60) calendar days prior to any final decision on contracting out to do unit work, the City will notify the Association of its intent to contract out. Upon request, the City will meet with the Association to explain the reasons that contract out is being considered, and to discuss the impact of the contract out on employees. Nothing herein should be construed to restrict the City's right to contract out unit work in its sole discretion after meeting and conferring with the Association on the impact of the sub-contracting.

9.5 Salary Survey

The City and DPSMMA do not anticipate conducting a salary survey during the term of this Agreement. If a salary survey is conducted, the following Agencies will be used:

| | | |
|-----------|-----------|-----------------|
| Benicia | Suisun | West Sacramento |
| Davis | Vacaville | Woodland |
| Fairfield | Vallejo | |

9.6 Grievance Procedures, Disciplinary Actions and Appeal Procedures

9.6.1 Grievances, disciplinary actions and appeals thereto shall be conducted in accordance with the City Personnel Rules.

9.7 Retroactive Pay

9.7.1 Retroactive pay will be issued within sixty (60) days from the signing of this contract.

9.8 Ongoing Discussion

9.8.1 The parties agree to maintain positive working relationships while addressing issues which may emerge prior to the next scheduled negotiation date. Therefore, the parties agree to meet at least once each six (6) months, or more frequently if needed, throughout the life of this contract to discuss any issues of concern which may arise.

9.9 Participation on Fire Strike Team

9.9.1 A Fire Division Chief assigned to work on a strike team will receive additional compensation or compensatory time off for each hour the Fire Division Chief works on the strike team assignment in excess of forty (40) hours during his or her regular work week. Work time during the first operational period of a strike team assignment will not be credited towards the forty (40) hour total. The hourly rate that an Fire Division Chief will be paid for strike team hours worked in excess of forty (40) hours during a work week will be calculated by dividing the Fire Division Chief's regular weekly salary by forty (40). If a Fire Division Chief chooses to receive compensatory time off in lieu of additional compensation, the Fire Division Chief will receive one (1) hour of compensatory time off for each hour the Fire Division Chief works on the strike team assignment in excess of forty (40) hours during his or her work week.

**ARTICLE X
MANAGEMENT RIGHTS**

10.1 Management Rights

10.1.1 The City's rights include, but are not limited to the exclusive rights: To determine the mission of its constituent departments, commissions and boards, set standards of service; to determine the procedures and standards of selection for employment; to direct its employees; to maintain the efficiency of governmental operations; to determine methods, means and personnel by which government operations are to be conducted and to take all necessary actions to carry out its mission and the technology used in performing its work. City rights also include the right to determine the procedures and standards of selection for promotion, to relieve employees from duty because of lack of work or other legitimate reasons, to take disciplinary action, enlist the aid of an outside hearing officer in the case of employee grievances and personnel matters, and to determine the content of job classifications.

10.2 Productivity

10.2.1 Employees will cooperate fully with management in programs designed to increase the level of overall productivity for the mutual benefit to the taxpayers.

**ARTICLE XI
ADMINISTRATIVE PROVISIONS**

11.1 Prior Agreement

11.1.1 This Memorandum of Understanding sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any other prior or existing understanding or agreements by the parties, whether formal or informal, regarding any such matters are hereby superseded or terminated in their entirety. Items contained in previous Memorandum of Understanding and/or City Council resolution which are not superseded or modified by this Agreement remain in effect.

11.1.2 It is agreed and understood that each party hereto voluntarily and unqualifiedly waives its right to negotiate, and agrees that the other party shall not be required to negotiate, with respect to any matter covered herein during the term of this Memorandum of Understanding. Nothing in this paragraph shall preclude the parties from jointly agreeing to meet and confer on any issue(s) within the scope of representation during the term of this Agreement. Matters within the scope of representation not covered by this Memorandum of Understanding shall not be changed until the City has given prior notice to and met and conferred with the Association.

11.2 Alteration

11.2.1 No agreement, alternation, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall in any manner be binding upon the parties hereto unless made and executed in writing by all parties hereto, and if required, approved and implemented by the City and the Association.

11.2.2 In the event of an unanticipated catastrophic decline in revenue or increase in expenditure, defined as a single event which changes revenue or expenditure by twenty percent or more in a single fiscal year, City and Association agree to meet and confer regarding methods to weather the event by means of including, but not limited to, layoffs, deferral of implementation of one or more provisions of this contract, increased revenue generation, etc.

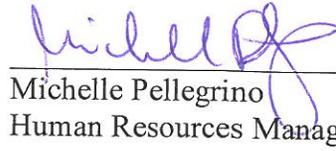
**ARTICLE XII
APPROVAL AND RATIFICATION**

12.1 This Memorandum of Understanding shall become effective when approved by Resolution of the Dixon City Council and ratified by the Association membership.

CITY OF DIXON

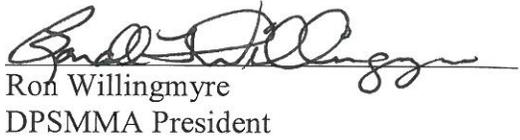


Jim Lindley
City Manager

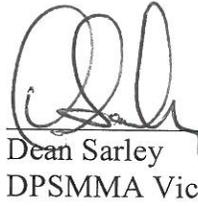


Michelle Pellegrino
Human Resources Manager

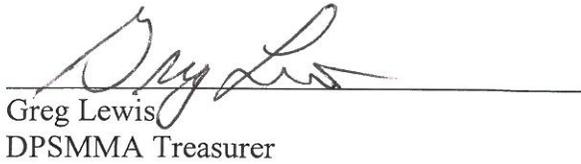
PUBLIC SAFETY MID-MANAGERS



Ron Willingmyre
DPSMMA President



Dean Sarley
DPSMMA Vice President



Greg Lewis
DPSMMA Treasurer



Tom Cordova
DPSMMA Board Member