



**BENICIA CITY COUNCIL
SPECIAL MEETING AGENDA**

**Council Chambers
September 28, 2011
6:00 PM**

*Times set forth for the agenda items are estimates.
Items may be heard before or after the times designated.*

I. CALL TO ORDER (6:00 PM, Conference Room 1):

A. ROLL CALL.

B. REFERENCE TO THE FUNDAMENTAL RIGHTS OF THE PUBLIC:

A plaque stating the fundamental rights of each member of the public is posted at the entrance to this meeting room per section 4.04.030 of the City of Benicia's Open Government Ordinance.

C. OPPORTUNITY FOR PUBLIC COMMENT:.

1. WRITTEN COMMENT:

2. PUBLIC COMMENT:

II. CLOSED SESSION:

A. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9

Number of potential cases (1)

**B. CONFERENCE WITH LABOR NEGOTIATOR
(Government Code Section 54957.6 (a))**

Agency negotiators: City Manager, Administrative Services Director

Employee organizations: City Manager, City Attorney, Benicia Senior Management Group, Benicia Middle Management Group, Local 1, Benicia Public Service Employees' Association (BPSEA), Benicia Police Officers Association (BPOA), Benicia Firefighters Association (BFA), Benicia Dispatchers Association (BDA), Police Management, Unrepresented.

III. CONVENE OPEN SESSION: (7:00 PM, Council Chambers)

A. ROLL CALL.

B. PLEDGE OF ALLEGIANCE.

C. REFERENCE TO THE FUNDAMENTAL RIGHTS OF THE PUBLIC:

A plaque stating the fundamental rights of each member of the public is posted at the entrance to this meeting room per section 4.04.030 of the City of Benicia's Open Government Ordinance.

IV. ADOPTION OF AGENDA:

V. OPPORTUNITY FOR PUBLIC COMMENT:

This portion of the meeting is reserved for persons wishing to address the Council on any matter not on the agenda that is within the subject matter jurisdiction of the City Council. State law prohibits the City Council from responding to or acting upon matters not listed on the agenda. Each speaker has a maximum of five minutes for public comment. If others have already expressed your position, you may simply indicate that you agree with a previous speaker. If appropriate, a spokesperson may present the views of your entire group. Speakers may not make personal attacks on council members, staff or members of the public, or make comments which are slanderous or which may invade an individual's personal privacy.

A. WRITTEN COMMENT.

B. PUBLIC COMMENT.

VI. BUSINESS ITEMS (7:00 PM):

A public hearing should not exceed one hour in length. To maximize public participation, the council requests that speakers be concise and avoid repetition of the remarks of prior speakers. Instead, please simply state whether you agree with prior speakers.

A. APPROVE THE 2011-12 MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF BENICIA AND THE BENICIA PUBLIC SERVICE EMPLOYEES ASSOCIATION (BPSEA)

Not unlike most jurisdictions in California, the City of Benicia has identified a structural deficit due to the unprecedented downturn of the economy. The City has identified a structural deficit that is anticipated to continue for the next 10 years, with a projected shortfall of approximately \$1.7 million for 2011-12. On September 6, 2011, the City Council unilaterally implemented compensation changes for BPSEA, as the parties had been unable to reach agreement. On September 14, 2011, the parties met again and reached a tentative agreement. On September 20, 2011, BPSEA informed the City that its membership had ratified the tentative agreement. The salary and benefit reductions for BPSEA recommended in this City Council agenda item are consistent with the types of salary and benefit concessions that have been agreed to via negotiations with the majority of other employee associations representing City employees. This action will assist the City's efforts to make ongoing reductions in order to address the City's structural deficit.

RECOMMENDATION: Adopt the resolution approving the 2011-12 Memorandum of Understanding (MOU) with the employees in BPSEA and authorize the City Manager to take the necessary actions appropriate to effectuate the purpose and intent of this action.

B. UNILATERAL IMPLEMENTATION OF CHANGES IN WAGES, HOURS AND TERMS AND CONDITIONS OF EMPLOYMENT FOR EMPLOYEES IN BENICIA FIREFIGHTERS ASSOCIATION (BFA)

Not unlike most jurisdictions in California, the City of Benicia has identified a structural deficit due to the unprecedented downturn of the economy. The deficit is anticipated to continue for the next 10 years, with a projected shortfall of approximately \$1.7 million for 2011-12. The salary and benefit reductions for BFA recommended in this City Council agenda item are consistent with the Council's direction to staff related to concession negotiations, and they are consistent with the types of salary and benefit concessions that have been agreed to via negotiations with the other employee associations representing City employees. Specifically, senior managers, mid-managers, police mid-managers, Local One, Benicia Police Officers Association, Benicia Dispatchers Association, and unrepresented employees in addition to the City Manager, City Attorney, City Council and City Clerk have all taken the requested reductions. Further, an item to approve the 2011-12 Benicia Public Service Employees Association Memorandum, which includes agreed upon concessions, is also on the Council's agenda for September 28th. These actions by the majority of the City's employee groups will assist the City's

efforts to make ongoing reductions in order to address the City's structural deficit.

RECOMMENDATION:

Adopt the resolution implementing changes in wages, hours and terms and conditions of employment for employees in the Benicia Firefighters Association (BFA) and authorize the City Manager to take the necessary actions appropriate to effectuate the purpose and intent of this action.

VII. ADJOURNMENT (8:30 PM):

Public Participation

The Benicia City Council welcomes public participation.

Pursuant to the Brown Act, each public agency must provide the public with an opportunity to speak on any matter within the subject matter jurisdiction of the agency and which is not on the agency's agenda for that meeting. The City Council allows speakers to speak on non-agendized matters under public comment, and on agendized items at the time the agenda item is addressed at the meeting. Comments are limited to no more than five minutes per speaker. By law, no action may be taken on any item raised during the public comment period although informational answers to questions may be given and matters may be referred to staff for placement on a future agenda of the City Council.

Should you have material you wish to enter into the record, please submit it to the City Manager.

Disabled Access or Special Needs

In compliance with the Americans with Disabilities Act (ADA) and to accommodate any special needs, if you need special assistance to participate in this meeting, please contact Anne Cardwell, the ADA Coordinator, at (707) 746-4211. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting.

Meeting Procedures

All items listed on this agenda are for Council discussion and/or action. In accordance with the Brown Act, each item is listed and includes, where appropriate, further description of the item and/or a recommended action. The posting of a recommended action does not limit, or necessarily indicate, what action may be taken by the City Council.

Pursuant to Government Code Section 65009, if you challenge a decision of the City Council in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to, the public hearing. You may also be limited by the ninety (90) day statute of limitations in which to challenge in court certain administrative decisions and orders (Code of Civil Procedure 1094.6) to file and serve a petition for administrative writ of mandate challenging any final City decisions regarding planning or zoning.

The decision of the City Council is final as of the date of its decision unless judicial review is initiated pursuant to California Code of Civil Procedures Section 1094.5. Any such petition for judicial review is subject to the provisions of California Code of Civil Procedure Section 1094.6.

Public Records

The agenda packet for this meeting is available at the City Manager's Office and the Benicia Public Library during regular working hours. To the extent feasible, the packet is also available on the City's web page at www.ci.benicia.ca.us under the heading "Agendas and Minutes." Public records related to an open session agenda item that are distributed after the agenda packet is prepared are available before the meeting at the City Manager's Office located at 250 East L Street, Benicia, or at the meeting held in the Council Chambers. If you wish to submit written information on an agenda item, please submit to the City Clerk as soon as possible so that it may be distributed to the City Council. A complete proceeding of each meeting is also recorded and available through the City Clerks Office.

AGENDA ITEM
SPECIAL CITY COUNCIL MEETING DATE - SEPTEMBER 28, 2011
BUSINESS ITEM

DATE : September 25, 2011

TO : City Manager

FROM : Administrative Services Director

SUBJECT : **APPROVE THE 2011-12 MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF BENICIA AND THE BENICIA PUBLIC SERVICE EMPLOYEES ASSOCIATION (BPSEA)**

RECOMMENDATION:

Adopt the resolution approving the 2011-12 Memorandum of Understanding (MOU) with the employees in BPSEA and authorize the City Manager to take the necessary actions appropriate to effectuate the purpose and intent of this action.

EXECUTIVE SUMMARY:

Not unlike most jurisdictions in California, the City of Benicia has identified a structural deficit due to the unprecedented downturn of the economy. The City has identified a structural deficit that is anticipated to continue for the next 10 years, with a projected shortfall of approximately \$1.7 million for 2011-12. On September 6, 2011, the City Council unilaterally implemented compensation changes for BPSEA, as the parties had been unable to reach agreement. On September 14, 2011, the parties met again and reached a tentative agreement. On September 20, 2011, BPSEA informed the City that its membership had ratified the tentative agreement. The salary and benefit reductions for BPSEA recommended in this City Council agenda item are consistent with the types of salary and benefit concessions that have been agreed to via negotiations with the majority of other employee associations representing City employees. This action will assist the City's efforts to make ongoing reductions in order to address the City's structural deficit.

STRATEGIC PLAN:

Relevant Strategic Plan Issues and Strategies:
Strategic Issue #3: Strengthening Economic and Fiscal Conditions

BUDGET:

This action achieves the necessary total savings of approximately \$237,000 to the City's general fund on an ongoing basis. The ongoing savings is critical since revenues to the City since 2010 have been steadily on the decline and the

economy is not expected to recover any time soon.

BACKGROUND:

At the beginning of the economic downturn in early 2008, it was hoped that a recovery would occur within 18 – 24 months. However, the economy did not recover and continues to decline even further today. While the City of Benicia was able to maintain its budget during the downturn from 2008 - 2010, in part due to revenues from Valero, beginning in the 2010 – 2011 fiscal year this was no longer the case.

The City adopted a budget in FY 2010 – 2011 that began to address the projected shortfalls as a result of declining sales and property taxes and reduction in other areas such as Valero related revenues and State funding. The City Council's desire was to preserve the current level of services to the community to the extent possible and ask employee groups to share in the overall reductions in order to meet its budget challenges.

The City negotiated successor contracts with all other City employee groups during the 2010 – 2011 fiscal year, except for BPSEA because its contract did not expire until June 30, 2011. As part of those successor negotiations, all employee groups contractually agreed to a 3.16% ongoing salary and benefit reductions and a contract reopener for further ongoing salary and benefits reductions as part of the new 2010-12 contracts. Currently, the City has reached agreement with the majority of the other employee groups on an additional 6.86% contractual reduction for a total of approximately 10%. The economic downturn on a national, state and local level has a tremendous effect on the residents of the City of Benicia and the City's dedicated employees. The City recognizes that reductions in salary and compensation have a significant impact on employees and their families and appreciates those who have agreed to reductions to preserve the mission of the City to provide quality services to the community.

The City and BPSEA began bargaining on April 25, 2011 and after a few months of negotiations it became clear that the parties had reached impasse in the negotiations process on June 28, 2011. Following an attempt at mediation, which was unsuccessful, BPSEA received and rejected the City's Last Best and Final on August 22nd. On September 6, 2011, the City Council unilaterally implemented terms and conditions for BPSEA.

On September 14th, staff met with BPSEA representatives to discuss the MOU for the BPSEA part-time employees. During the meeting, BPSEA indicated a desire by the full-time employees to reopen discussions on the recently imposed MOU. As a result, the two parties revisited the terms and conditions of the

imposed MOU. An alternative scenario was proposed and tentatively agreed to by the parties, which is as follows.

- Salary Reduction: A 1.4% pay reduction for an annual savings of approximately \$31,116 to the general fund.
- Health and Welfare: The City's contribution toward health care shall be cost shared and fixed at a maximum \$622.00 for employee only; \$1,244.00 for employee plus one; and \$1,655.20 for employee plus family for an annual general fund savings of approximately \$42,789.
- Health and Welfare: Employees will contribute an additional amount each month, on a pretax basis, towards healthcare costs to reflect estimated health care restructuring savings that the City would achieve from health care plan redesign, which is estimated as a \$12,765 savings to the general fund.
- Elimination of the Vantage Care program for an annual general fund savings of approximately \$19,678.
- Retirement: All BPSEA employees shall pay the full 8% of the employee's statutory share of retirement through a payroll deduction. (Specifically, the proposed reduction is that BPSEA employees will pay an additional 7%, in addition to the 1% they are already paying.) This results in annual savings of \$130,459 to the general fund.
- Retroactive Amount: Beginning with the September paycheck, an additional, temporary 1.77% salary reduction will be made for the remaining 10 months of this fiscal year.
- The Tentative Agreements included in the City's Last Best & Final, including the second tier for PERS at the "2% at 60" formula.

A majority of BPSEA members ratified the tentative agreement on Tuesday, September 20th, and the City Council approved in closed session that evening, as reported out by the City Attorney at the beginning of the September 20th regular council meeting.

Attachments:

- Resolution
- 2011-12 MOU – strike-through version
-

RESOLUTION NO. 11-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING THE JULY 1, 2011 TO JUNE 30, 2012 AMENDMENTS TO THE LABOR AGREEMENT WITH BENICIA PUBLIC SERVICE EMPLOYEES ASSOCIATION (BPSEA)

WHEREAS, the existing Agreement between the City of Benicia and BPSEA which covers salaries and other conditions of employment lapsed on June 30, 2011; and

WHEREAS, the City has identified a structural deficit that is anticipated to continue for the next 10 years, with a projected shortfall of approximately \$1.7 million for 2011-12; and

WHEREAS, the City requested BPSEA to negotiate concessions towards closing the \$1.7 million dollar gap; and

WHEREAS, the City has concluded negotiations with BPSEA relative to amendments to the Agreement for the term covering July 1, 2011 to June 30, 2012 that achieve the requested concessions; and

WHEREAS, BPSEA accepted the terms of the July 1, 2011 to June 30, 2012 amendments to the Agreement.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia hereby approves changes to the following sections in the July 1, 2011 through June 30, 2012 Agreement with BPSEA (a complete copy of the Agreement with the specified amendment language is attached to the staff report), and the City Council authorizes the City Manager to execute the Agreement as amended:

1. Section 1 – Preamble
2. Section 3 – Non-Discrimination
3. Section 6.3 – Permanent Work Schedule Change
4. Section 6.4 – Night Shift
5. Section 7.6 – Standby (formatting change only)
6. Section 8.4 – Payroll deductions
7. Section 9 – No Strike
8. Section 11.7 – Vacation Accrual Limits
9. Section 12.5 – Bereavement Leave
10. Section 17 – Salary Plan
11. Section 22.1 – Insurance
12. Section 22.2 – Life Insurance
13. Section 22.3 – Retirement
14. Section 23 – Retiree Health Care
15. Section 30 – Closing Clause

On motion of Council Member _, seconded by Council Member
, the above resolution was introduced and passed by the Council of the City of Benicia
at a regular meeting of said Council on the 28th day of September, 2011, and adopted
by the following vote:

Ayes:

Noes:

Absent:

Elizabeth Patterson, Mayor

ATTEST:

Lisa Wolfe, City Clerk

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Section 1. Preamble

This agreement is entered into by the City of Benicia, hereinafter referred to as the "City," and the Benicia Public Service Employees' Association, Inc., ~~S.E.I.U., Local 614~~, hereinafter referred to as the "BPSEA," or the "Union," for the purpose of promoting harmonious relations between the City and the BPSEA, to establish an orderly and peaceful procedure, to settle differences which might arise and to set forth the basic, complete and full agreement between the parties concerning salaries and all other conditions of employment, and preclude any further negotiations during its term unless otherwise stated herein.

Section 2. Recognition

The BPSEA is hereby recognized by the City as the bargaining agent for the miscellaneous City employees and for employees properly included in the said bargaining unit, under the conditions of the State law.

Section 3. Non-Discrimination

The City shall not discriminate against any employee because of race, color, creed, sex, age, disability, national origin, gender, sexual orientation, or any other State or Federal protected class; nor shall the City discriminate against any employee covered by this Memorandum of Understanding because of membership or non-membership in the BPSEA, or authorized activity, as required in this Memorandum of Understanding, in behalf of the members of the BPSEA.

The BPSEA shall not discriminate against any employee assigned to the Miscellaneous City Employee representation unit because of membership or non-membership in the BPSEA or because of race, creed, color, national origin, sex, disability or age-, or any other state or federal protected class.

The City and the BPSEA recognize that the City has an obligation under the Americans With Disabilities Act (ADA) to meet with individual employees who allege a need for reasonable accommodation in the workplace because of a disability. If by reason of the aforesaid requirement, the City contemplates actions to provide reasonable accommodation to an individual employee in compliance with the ADA which are in potential conflict with any provision of this Memorandum of Understanding, BPSEA will be advised of any such proposed accommodation and be afforded an opportunity to discuss same prior to implementation by the City.

Section 4. Employee Rights

Employees shall have the right to fair and equal treatment in all aspects of employment conditions. Neither management nor its representatives shall exercise their rights and authority in relationship to conditions of employment in a capricious, arbitrary, or unreasonable manner. Any punitive personnel action taken which will result in any loss of pay or benefits shall be taken in a manner consistent with Personnel Rules, Federal, and State laws. An employee's salary shall not be directly deposited in the bank by the City without the employee's consent.

Section 5. Association Business

The City agrees to provide space on bulletin boards to the BPSEA for the announcement of meetings, elections of officers of the BPSEA and any other material related to BPSEA business. Furthermore, the BPSEA shall not post material detrimental to the labor-management relationship nor of a political or controversial nature. The BPSEA may send mail related to business to local official association representatives at appropriate facilities to which mail is delivered.

The City agrees that access and use of the internal e-mail system is limited to the following BPSEA officers (President/Vice President/Secretary). It is understood that these officers may use the internal e-mail system for BPSEA announcements. The officers must get permission from their supervisor before sending out any announcement, and only use the internal e-mail system during lunch hours and after work hours. It is understood that this means of communication is limited to announcements only and is not intended as a means of social interaction between BPSEA members.

No BPSEA member or representative shall solicit members, engage in organizational work, or participate in other BPSEA activities during working hours on the City's premises except as provided for in the processing of grievances, or during periods of negotiations to update the membership on the progress of said negotiations.

BPSEA members or representatives may be permitted to use suitable facilities on the City's premises to conduct BPSEA business during non-work hours upon obtaining permission from the City's Personnel Officer or his designated representative. Any additional costs involved in such use must be paid by the BPSEA.

BPSEA representatives shall be permitted to investigate and discuss grievances during working hours on the City's premises if notification is

given to the Personnel Officer or the Personnel Officer's designated representative. If the BPSEA representative is an employee of the City, the representative shall request from the representative's immediate supervisor, reasonable time off from the representative's regular duties to process such grievances. The City will provide a reasonable number of employees time off, if required, to attend negotiation meetings.

Section 6. Hours of Work, Premium Pay, Off-Duty Employment

6.1 9/80 Work Schedule

The City agrees to implement a 9/80 work schedule. Generally, the hours for employees covered by this Memorandum of Understanding will be 7:00 a.m. to 4:30 p.m. However, with the approval of the department head, there may be variations in employees' work hours keeping in mind the City's need to provide maximum service to the citizens while granting employees a work schedule that best fits their needs as well. The following parameters apply to employees participating in the 9/80 work schedule:

- A. The exact schedule (i.e., every other Monday off, Friday off, hours of work, etc.) must first be approved by the department head. The work schedule will be based on a fourteen (14) day work period beginning mid-day on Friday or Monday to prevent overtime from occurring during any seven (7) day work week.
- B. This schedule will not preclude the City from implementing a different schedule (such as 5/8's) for training purposes, particularly for new employees. It is the City's intent to have the employee move into the flex schedule as soon as feasible.
- C. Employees working a 9/80 work schedule will not have to dock an hour of annual leave or administrative leave when they are off on a holiday. The holiday will be equivalent to a nine (9) hour day for employees working a 9/80 work schedule. If the holiday falls on a regularly scheduled day off, then the employee will receive eight (8) hours of administrative leave which will need to be taken before the end of each fiscal year. This will not apply to the twelve (12) hour day or night shift water operator-in-charge in accordance with a separate agreement with the water treatment plant operators.
- D. When an employee takes a day of annual leave, sick leave, administrative leave or other leave benefit, the employee

must use the number of hours which correspond to the employee's 9/80 schedule.

- E. Temporary changes in an employee's 9/80 work schedule must be approved by the employee's department head (i.e., employee hardship).
- F. In order to maintain the efficiency of government operations, the department head may determine that not all employees in the bargaining unit may participate in the 9/80 work schedule. Any employee whose schedule changes due to this clause must be notified in accordance with Section 6.2.
- G. In the event the City must discontinue the citywide 9/80 work period, affected employees shall resume the standard work week of five (5) eight (8) hour days after meeting and conferring with the labor union.

6.2 Temporary Work Schedule Change

Department heads shall be authorized to make temporary (i.e., not to exceed ten (10) consecutive workdays) adjustments in employees' hours of work and work schedules, taking into consideration the wishes of the employees, and the needs of the City, as well as the workload of their respective departments. Permanent (i.e., in excess of ten (10) consecutive workdays) adjustments in work crew's hours of work and work schedules may be made after meeting and conferring with the Union.

The City shall make every effort to schedule shifts on a weekly basis and to notify employees at least five (5) working days in advance of their shift for said week.

6.3 Permanent Work Schedule Change

Permanent work schedule changes (i.e. in excess of ten (10) consecutive work days) in employees' hours of work and work schedules may be made after a 30-day advance written notice has been given to the affected employee(s) by the department head- Unless the employee and department agree to less than the full 30-day notice or in the case of emergencies due to natural disaster.

6.4 Night Shift Differential

For the purpose of this section, "Night Shift" shall mean a regularly scheduled work shift of eight (8) consecutive hours or more, which includes at least four (4) hours of work between the hours of 3:00

p.m. and 8:00 a.m. Overtime which is worked as an extension of an assigned shift shall not qualify an employee for a shift differential.

The rate of shift differential on swing shift (actual work between the hours of 3:00 p.m. and 11:00 p.m.) shall be two and one-half percent (2-1/2%) over the employee's straight-time hourly wage rate and on graveyard shift [actual work between the hours of 11:00 p.m. and 8:00 a.m.], five percent (5%) over the employee's straight-time hourly wage rate.

Water Plant operators assigned to the shift commencing at 1900 hours (herein designated as the night shift) shall receive the night shift differential of five percent (5%) of their straight-time rate of pay for all hours worked on said shift.

6.5 Water Treatment Plant – 12 Hour Shift Schedule

The City has established a 12-hour shift schedule as set forth in the following table. Modifications to the shift schedule may be made by mutual agreement of the BPSEA and the City.

Shifts shall rotate each six (6) months. The City will provide at least thirty (30) days advance notice prior to implementing any change in the shift schedule provided herein.

On July 1, 2006 the Water Operator salary schedule range shall be increased by 2.5% on a one-time basis to compensate for moving to a 40 hour workweek.

FLSA WORKWEEK DESIGNATIONS
<p>FLSA workweeks for Water Operator are designated as follows: <u>A – Begins Wednesday at 1900 and ends at Wednesday at 1859</u> <u>B – Begins Wednesday at 0700 and ends at Wednesday at 0659</u> <u>C – Begins Wednesday at 0300 and ends at Wednesday at 0259</u> <u>D – Begins Wednesday at 1900 and ends at Wednesday at 1859</u> <u>E – Begins Sunday at 2400 and ends Saturday at 2359</u></p> <p>OIT'S AND OPERATORS I's WORK M-F...0700-1600. Their workweek designation is the same as Operator E.</p>

SHIFT SCHEDULES							
	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
D A Y S	A = 0700 – 1900	A = 0700 – 1900	A = 0700 – 1900	A = 1500 - 2300	A = Off	A = Off	A = Off
	B = Off	B = Off	B = Off	B = Off	B = 0700 – 1900	B = 0700 – 1900	B = 0700 – 1900
	E = Off	E = 0700 - 1530	E = 0700 - 1530	E = 0700 – 1500	E = 0700 – 1530	E = 0700 – 1530	E = Off
N I G H T S	C = 1900 - 0700	C = 1900 - 0700	A C = 1900 - 0700	C = 2300 - 0700	C = Off	C = Off	C = Off
	D = Off	D = Off	D = Off	D = Off	D 1900 - 0700	D 1900 - 0700	D 1900 - 0700
D A Y S	A = 0700 – 1900	A = 0700 – 1900	A = 0700 – 1900	A = Off	A = Off	A = Off	A = Off
	B = Off	B = Off	B = Off	B = 1500 – 2300	B = 0700 – 1900	B = 0700 – 1900	B = 0700 – 1900
	E = Off	E = 0700 - 1530	E = 0700 - 1530	E = 0700 – 1500	E = 0700 – 1530	E = 0700 – 1530	E = Off
N I G H T S	C = 1900 - 0700	C = 1900 - 0700	A C = 1900 - 0700	C = 2300 - 0700	C = Off	C = Off	C = Off
	D = Off	D = Off	D = Off	D = Off	D 1900 - 0700	D 1900 - 0700	D 1900 - 0700

6.6 Off-Duty Employment

No employee may accept gainful employment during off duty hours unless prior approval is obtained from the City Manager after recommendation of the department head. Such approval is subject to review and cancellation for just cause at any time by the City Manager.

Section 7. Overtime Work, Pre-Scheduled Overtime, Emergency Overtime

7.1 Overtime Work

All work performed in excess of an employee’s normal workday or in excess of an employee’s normal and/or scheduled work week or work period shall be considered overtime work.

Assignments of overtime work shall rest solely with the department head or the designated representative. The assignment of overtime work is on an involuntary basis and any employee refusing assignments of such work is subject to disciplinary action deemed appropriate by the department head.

7.2 Compensation for Overtime Work

Employees performing compensable overtime work shall be paid time and one-half at the employee's straight-time hourly rate of pay, or at the option of the individual employee, compensation in the form of compensatory time off at the rate of one and one-half (1-1/2) in lieu of pay. The maximum amount of compensatory time off an employee may have credited to his account at any one time shall be forty (40) hours. The department head in his sole discretion may permit an employee to accrue compensatory time off in excess of the forty (40) hour maximum. The employee may schedule the use of accumulated time off with the approval of the department head. In addition, the department head may schedule use of accumulated time off without the approval of the employee.

With the exception of compensatory time off, all paid leave time will be considered actual hours worked when computing overtime hours after a workday or a forty-hour workweek.

7.3 Meal Allowance

The City further agrees to provide a meal allowance for employees working more than four (4) continuous hours of overtime at the rate of \$10.00. This meal allowance will be paid without the requirement of a receipt.

The aforementioned overtime rate (Section 7.1) and meal allowance shall be all inclusive and no additional compensation will be paid. Water Plant operators shall have their meals and rest periods on the job as operating conditions permit.

7.4 Pre-Scheduled Overtime

An employee who is scheduled to work at a time non-contiguous to their normal shift shall receive a minimum of two (2) hours of work or pay in lieu thereof at the rate of one and one-half (1-1/2) times the employee's straight-time hourly rate of pay.

7.5 Unscheduled Overtime

An employee who is recalled to work at a time non-contiguous to the employee's regular work shift or is called out to work for emergency purposes, shall receive a minimum of three (3) hours of work or pay in lieu thereof at the rate of one and one-half (1-1/2) times the employee's straight-time hourly rate of pay. If the employee is called out or recalled more than once during a single three (3) hour period only one (1) call out shall be authorized.

Employees called out between the hours of 3:30 p.m. and 10:00 p.m. Monday through Friday will perform a minimum of two hours of work if the call-out is less than two (2) hours providing there are work orders to be completed. This section excludes holidays, weekends, and call-outs after 10:00 p.m.

If the employee is called out or recalled more than once during a single two (2) hour period only one (1) call out shall be authorized.

7.6 Standby Time

There is a need to maintain City operations seven (7) days a week, including holidays, and after regular hours. Personnel must be scheduled to meet these needs; department heads will discuss the scheduling frequency of shift rotation with the affected employees. Some areas of the City's responsibility necessitate the availability of employees for call-out in emergencies. To insure this availability of personnel, a procedure called "Standby Time," providing compensation, has been established.

Weekend, holiday, and after hours standby shall be compensated for by paying the involved employee, six (6) hours of straight-time pay for every twenty-four (24) hours of standby time; less than twenty-four (24) hours to be prorated. In the event an employee on standby is called out, he/she shall receive a minimum of three (3) hours pay at the rate of one and one half (1-1/2) times the employee's straight time hourly rate of pay. Employees will not receive compensatory time in addition to the paid overtime hours. If the employee is called out more than once during a single three (3) hour period, only one (1) call-out shall be authorized.

Employees called out between the hours of 3:30 p.m. and 10:00 p.m. Monday through Friday will perform minimum of two hours of work if the call-out is less than two (2) hours providing there are work orders to be completed. This section excludes holidays, weekends and call-outs after 10:00 p.m.

The City shall provide paging devices for standby employees so that the employee is not required to remain at his/her place of residence. The employee will be required to remain in the greater Benicia area which is defined as that area that is within thirty five (35) minutes driving time from their regular place of employment. Employees who use a personal vehicle to respond to a call while on standby shall receive mileage reimbursement for actual miles driving to and from work. Employees who live in town may take a City vehicle home to use when called out while on standby.

7.7 Safety Concerns – Recall or Standby

Employees, including shift operators, called back to work after midnight may arrive at work past their normal starting time that same day a minimum of two (2) hours to a maximum of the amount of time that they worked past midnight. In all instances of the use of this time the employee must make certain that the supervisor is aware of the time they will be arriving to work for their next shift.

Upon supervisor's approval, an employee recalled within 3 hours of the beginning of their regular work schedule, may take safety hours at the end of that workday.

The employee shall be responsible for any additional time off, i.e., compensatory, administrative, vacation, or sick leave.

Section 8. Agency Shop

8.1 Agency Shop

As a condition of continuing employment, employees shall become and remain members of the Union or shall pay to the Union a service fee in lieu thereof. Such service fee shall be established by the Union and shall not exceed that portion of the Union's dues and initiation fees (hereinafter collectively termed "service fee") paid by members of the Union as are expended by the Union in fulfilling its responsibilities for representing members of the Representation Unit in the negotiation and administration of the Memorandum of Understanding. Initiation fees shall only apply to employees hired after implementation of this agreement. The Union shall comply with the rules governing the establishment of agency shop fees as set forth in the U. S. Supreme Court's decision in March, 1986 in Chicago Teachers Union v. Hudson.

8.2 Implementation

Not later than thirty (30) days after approval of this Agency Shop Agreement, the City shall deliver to each employee subject to this Memorandum of Understanding who is not also a member of the Union a notice advising that the City has entered into an Agency Shop Agreement with the Union and that all employees subject to the Memorandum of Understanding must either join the Union, pay a service fee to the Union, or execute a written declaration claiming a religious exemption from this requirement. Such notice shall include a form for the employee's signature authorizing payroll deduction of Union dues or a service fee, or a charitable contribution equal to the service fee.

In the event an employee does not authorize a payroll deduction, the City shall nonetheless make such a deduction of service fee or charitable contribution. An employee claiming religious exemption shall be able to choose from one of the following three (3) charities as an authorized recipient of the contribution: (1) Benicia Human Services and Arts Fund, (2) Benicia Community Action Council, or (3) Benicia Adult Literacy Program.

8.3 Financial Reports

~~BCEA shall submit copies of the financial report required pursuant to the Labor Management Disclosure Act of 1959 to the City Manager once annually. Copies of such reports shall be available to employees subject to the Agency Shop requirements of this agreement at the Office of the Union.~~

~~Failure to file such a report within one hundred (100) days of the close of the Union's fiscal year shall result in the termination of all agency fee deduction, without jeopardy to the employee, until said report is filed. *This section pertains to private sector only.*~~

8.4 Payroll deductions

The City shall deduct Union dues or service fees and premiums for approved insurance programs from the employee's pay in conformity with State and City regulations. The City shall promptly pay over to the designated payee all sums so deducted. The City shall also periodically provide the Union with a list of all persons making charitable deductions pursuant to the religious exemption granted herein. The union shall provide city with notice and copy of union resolution or minutes authorizing any increased deduction for dues, service fees, or premiums, and shall provide notice to union employees of such increases.

8.5 Hold Harmless

The Union shall indemnify, defend, and hold harmless the City, its officers, employees, and agents acting on its behalf from and against any and all losses, damages, costs, expenses, claims, demands, actions, suits, judgments and other forms of liability arising out of the application or enforcement of this Section. In no event shall the City be required to pay from its own funds Union dues, service fees or charitable contributions, which the employee was obligated to pay, but failed to pay, regardless of the reasons.

8.6 Election

The election to implement the provisions of this agreement shall not prohibit or restrict an election to rescind this Section as provided for by Section 3502-5 of the Government Code.

8.7 Waiver of Election for Newly-Represented Employees and New Representation Units

The accreditation of classifications and/or employees to representation units set forth in this Memorandum of Understanding shall not require an election pursuant to subsection 6 herein for the application of this Agency Shop provisions to such classifications and/or employees. The recognition of newly-established bargaining units and inclusion of same within this Memorandum of Understanding shall also not require an election pursuant to subsequent 6 herein for the application of this Agency Shop to such units.

8.8 COPE Payroll Deduction

The City will allow for voluntary contributions to the Union's COPE (Committee on Political Education) Fund to be deducted from an employee's paycheck provided the employee signs an authorization form the amount is a flat dollar amount, and the contribution is on a monthly basis.

Section 9. No Strike

The BPSEA agrees that participation in a strike shall subject employees to disciplinary action, up to and including discharge. The BPSEA, its representatives, or members, shall not engage or cause, instigate, encourage, sanction, or condone a strike of any kind. No employee shall refuse to cross any picket line in the conduct of official City business during the duration of this Memorandum of Understanding, nor shall the BPSEA, its representatives, or members, discriminate in any way toward anyone who refuses to participate in a strike. "Strike" means for the purpose of this section, any industrial action or slow down, sanction, instigate or suggest mass absenteeism, picketing or similar activity, which would interfere with or interrupt the normal work and operation of the City. The City shall not lock out any members of ~~SEIU Local 614~~/BPSEA.

Section 10. Management Rights

The employee organization agrees that the City retains all its exclusive rights and authority under the law and expressly and exclusively retains its management rights, which include, but are not limited to: the exclusive right to determine the mission of its constituent departments, commissions, boards; set standards and levels of service; determine the

procedures and standards of selection for employment and promotions; direct its employees; maintain the efficiency of government operations; determine the methods, means and numbers of kinds of personnel by which government operations are to be conducted; determine the content and intent of job classifications; determine methods of financing; determine style and/or types of City-issued wearing apparel, equipment or technology to be used; determine and/or change the facilities, methods, technology, means, organizational structure and size and composition of the work force and allocate and assign work by which the City operations are to be conducted; determine and change the number of locations, relocations and types of operations, processes and materials to be used in carrying out all City functions including, but not limited to, the right to contract for or sub-contract any works operations of the City; to assign work to and schedule employees in accordance with requirements as determined by the City and to establish and change work schedules and assignments upon reasonable notice; establish and modify productivity and performance programs and standards; discharge, suspend, demote, reprimand, withhold salary increases and benefits, or otherwise discipline employees in accordance with applicable law; establish employee performance standards including, but not limited to, quality and quantity standards, and to require compliance therewith; take all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and technology of performing its work. Management rights shall be exercised in a manner consistent with applicable Federal and State laws, and Personnel Rules.

Section 11. Vacation Leave and Annual Personal Leave

11.1 Vacation Leave

The authorized annual vacation leave granted employees after one (1) continuous year of City service shall be as follows:

- 1) From one (1) through three (3) years of continuous service – ten (10) working days.
- 2) From four (4) through nine (9) years of continuous service – fifteen (15) work days.
- 3) From ten (10) through nineteen (19) years of continuous service – twenty (20) work days.
- 4) For twenty (20) years or more of continuous service – twenty-five (25) work days.

No vacation leave may be taken by an employee during his/her first six (6) months of employment. At the completion of six (6) full months of service, an employee is eligible to use vacation benefits as described above.

11.2 Earning Vacation Leave

Full vacation leave as set forth in Section 11.1 shall be earned by:

- 1) An employee on sick leave with pay, including an employee receiving benefits under the Sick Leave Bank.
- 2) An employee on paid leave of absence, due to a disability arising from an on-the-job accident or injury while working for the City.
- 3) An employee on jury leave.

Vacation leave as set forth in Section 11.1 shall not be earned by an employee on an unpaid leave of absence.

An employee shall not use leave they have not accumulated.

11.3 Scheduling Vacation Leave

The scheduling of vacation leave shall be determined by the department head based on the wishes of the employee and with particular regard for the needs of the City.

Employees are encouraged to take vacation leave in increments of one (1) week at a time.

11.4 Holiday During Vacation Leave

An employee shall not be charged vacation leave for a holiday occurring during the employee's vacation leave.

11.5 Sick Leave During Vacation Leave

An employee may change vacation leave to sick leave upon submission of a doctor's certificate that the employee is ill and unable to work.

11.6 Annual Personal Leave Allowance

Employees with less than fifteen (15) years of service to the City shall earn one (1) day of personal leave per year, prorated on a quarterly basis. The employee may use such leave for any purpose subject to advance approval of the employee's absence. The personal leave day may be used within the contract year and may not be carried across the contract or fiscal year.

The annual personal leave day allowance for those employees with fifteen (15) or more years of service to the City shall be two (2) days per year, prorated on a quarterly basis. The employees may use

such leave for any purpose subject to advance approval of this absence. The annual personal leave days must be used within the contract year and may not be carried across contract or fiscal year.

An employee shall not use leave they have not accumulated.

11.7 Vacation Accrual Limits

Employees covered by this Agreement may exceed vacation accrual limits during a calendar year, however, by ~~December 31st~~ January 20th of each year, an employee's total earned but unused vacation leave shall not exceed three hundred twenty (320) hours. It is each employee's responsibility to schedule the use of vacation time so as not to exceed this maximum amount of vacation accrual.

Beginning December 2000, and in December of each calendar year, the City will allow employees who have in excess of 320 hours of accrued vacation leave to convert forty (40) hours of vacation leave to sick leave, ~~or employees participating in the ICMA Retiree Health Savings Plan (VantageCare) shall be allowed to transfer vacation hours in excess of 320 at the VantageCare rate they earn on their annual sick leave hours to sick leave.~~

Section 12. Leave of Absence

12.1 Definition

A leave of absence is a privilege which may be granted to an employee wishing to leave the City service without pay and in good standing for a limited period of time.

12.2 Procedure

- 1) A request for a leave of absence without pay must be made to the department head in writing by the employee stating the dates of leave of absence requested and the reason for the request.
- 2) A department head may grant an employee a leave of absence without pay for not more than ten (10) working days when it is in the best interest of the City. The City Manager must approve a leave of absence without pay exceeding ten (10) working days.
- 3) An employee shall be entitled to payment for any earned vacation and accumulated overtime at the beginning of an approved leave of absence.

12.3 Unauthorized Leave of Absence

The failure of an employee to return to duty upon the termination of an authorized leave of absence is an unauthorized leave of absence. Any failure of the employee to appear for a scheduled work day without proper notification to the supervisor is an unauthorized leave of absence. In addition, failure of the employee to follow specified procedures and receive proper authorization for use of sick leave or vacation leave may be deemed an unauthorized leave of absence. The Department Head may require a corroborating Doctor's slip if the employee is returning from an unauthorized/unscheduled leave of absence.

An unauthorized leave of absence is grounds for disciplinary action, including dismissal.

The unauthorized leave of absence shall be treated as time not worked. The City shall deduct from the employee's pay an amount equal to time absent from City service.

12.4 Jury Leave

When an employee is summoned for jury duty, the employee shall be granted a leave of absence for jury duty, upon presentation of the summons to the employee's department head.

An employee shall receive full pay while on leave for jury duty; provided, however, the employee must remit compensation received for jury duty, except compensation for mileage. An employee who elects to retain compensation received for jury duty shall not receive salary while on jury duty.

When an employee is released from jury duty, the employee shall report to work for the balance of the day.

12.5 Bereavement Leave

Any employee shall obtain the approval of the employee's department head or supervisor in advance of an absence due to a death in the employee's family. Failure to obtain the department head or supervisor's approval shall result in ineligibility for benefits under this section.

In the event of a death in the immediate family of an employee, he/she shall, upon request, be granted such time off with pay as is necessary to make arrangements for the funeral and attend same,

not to exceed three (3) regularly scheduled working days. However, up to an additional two (2) days may be granted for out-of-state funerals. This provision does not apply if the death occurs during the employee's paid vacation, or while the employee is on leave of absence, layoff, or sick leave.

For the purposes of this section immediate family shall be defined as follows: spouse, children, step children, father, step father, mother, step mother, brothers, step brothers, sisters, step sisters, mother-in-law, father-in-law, sister-in-law, brother-in-law, employee or spouse's grandparents, grandchildren, adopted children, children under guardianship, domestic partners and members of the employee's household.

A department head may allow an employee leave of absence up to one day to attend the funeral of a person other than a member of the employee's immediate family, chargeable to sick leave, compensatory time, or vacation leave. Additional time may be charged to compensatory time or vacation leave.

12.7 Military Leave

Military leave shall be granted in accordance with the provisions of state and federal law. An employee taking military leave shall give the employee's department head a copy of the employee's orders to report to military duty.

12.8 Maternity/Paternity Leave

A pregnant employee shall be entitled to a maternity leave of absence in accordance with State and Federal laws. Employees shall be entitled to paternity leave in accordance with State and Federal laws.

Section 13. Sick Leave

13.1 Eligibility and Accrual

Employees shall be eligible to accrue sick leave beginning the first day of the month following the employee's completion of one month of service.

Employees shall accrue sick leave at a rate of eight (8) hours for each calendar month of service. Employees shall accrue full sick leave while on paid leave of absence, including sick leave and jury leave. Sick leave shall not be earned by employees on unpaid leave of absence or paid industrial leave (PIA).

13.2 Usage of Sick Leave

1) Permissible Usage of Sick Leave

Sick leave is provided to continue the salary of an eligible employee who is absent from work because of an illness.

Family Member Illness / Medical Appointment: Family Care (Labor Code Section 233). With the prior approval of an employee's department head, an employee may use one half of their annual accrual worth of sick leave to care for an ill immediate family member. The illness does not have to be serious in nature and includes doctors (medical and dental) appointments. These days may not be carried over from year to year. Conditions and restrictions contained in this Memorandum of Understanding for an employee's use of sick leave also apply to sick leave used under this section.

Immediate family members include: Spouse, children, father, mother, brothers, sisters, mother-in-law, father-in-law, sister-in-law, brother-in-law, grandparents, grandchildren and members of the employee's household.

Three (3) days of accumulated sick leave may be used with prior approval of the employee's department head for critical illness in the immediate family when death appears to be imminent. Sick leave granted in accordance with the provisions in this subsection shall be so documented on the employee's time sheet and in the employee's personnel records.

Any employee on authorized leave under Family Medical Leave Act (FMLA), California Family Rights Act (CFRA), or other federal or state law shall be governed by the provisions of said regulations.

2) Non-permissible Usage of Sick Leave

No employee shall be entitled to use sick leave with pay while absent from duty under any of the following conditions:

- A) Disability arising from sickness or injury purposely self-inflicted or caused by employee's willful misconduct;
- B) Disability arising from sickness or injury sustained while on unpaid leave of absence;

- C) Disability arising from sickness or injury related to compensated employment other than with the City;
- D) Disability arising from sickness or injury while receiving compensation from the City for an industrial accident pursuant to Section 15.

3) An employee shall not use leave they have not accumulated.

13.3 Accumulation

Accumulation of sick leave by all employees shall be unlimited.

13.4 Notification

To receive sick leave, an employee must notify the employee's supervisor before the employee is scheduled to begin the employee's daily duties. Each Department/Division will disseminate, and place on file with Human Resources, a phone number to call when calling in sick. A department head may waive this requirement upon presentation of a reasonable excuse by employee.

13.5 Supplemental Sick Leave Benefits

See Attachment B.

Parties agree to meet and confer after the completion of a one year trial period ending January 1, 2008 on possible program changes.

13.6 Return to Employment Following Sick Leave

When an employee returns to duty after four (4) or more days absence chargeable to sick leave, the employee's department head or the City's personnel officer shall require a signed statement from a doctor or dentist that the employee was incapacitated and unable to perform the employee's duties throughout the entire period of sick leave.

The failure of the employee to file the statement from the doctor or dentist shall result in the employee's ineligibility for sick leave benefits, unless a waiver is granted by the City Manager.

In the case of frequent use of sick leave the employee's department head or the personnel officer may request that the employee file a doctor's statement for each such illness regardless of duration. An employee may be required to take an examination by a doctor mutually agreed to by the City and the employee. If requested by

the City, the employee shall authorize consultation with the employee's doctor concerning the illness.

On the basis of such medical advice, the City Manager shall determine whether an employee is incapacitated for the duties of the employee's position and may take the action the City Manager considers appropriate.

Section 14. Paid Industrial Accident Leave

14.1 Eligibility

Employees shall be eligible for paid industrial accident leave (PIA) provided, however, that the employees claim for state workers compensation must be approved and further provided that the injured employee shall immediately report the accident to the employee's supervisor or if the supervisor cannot be contacted, the employee must notify the police communication center immediately.

14.2 PIA Benefits

The City agrees that each employee shall be granted paid industrial leave (PIA) if the claim is approved the State Workers' Compensation with the City paying full, basic salary during such leave. "PIA" shall begin on the first day of said industrial accident and shall extend for a maximum of one year. When an employee is on "PIA," the employee is charged neither vacation nor sick leave, but during this time, the employee does not accrue vacation or sick leave. The employee is not eligible for a step increase while on "PIA," and the employee's anniversary date will be adjusted so that the employee will observe the normal working period between steps.

Section 15. Educational Reimbursement

The educational Reimbursement Program is designated to encourage employees to continue their self development and career development by enrolling in classroom courses which will prepare them in new concepts and methods needed to meet the changing demands of City service. The City agrees to pay \$1,000 towards the cost of books and tuition for courses of study undertaken by employees pursuant to this Program and provided such courses have been approved by the employee's department head.

Section 16.Holidays

16.1 Authorized Holidays

Employees shall be entitled to the following paid holidays: New Year's Day, Martin Luther King Jr.'s birthday, Lincoln's birthday, Washington's birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, the Friday following Thanksgiving Day, and Christmas Day.

The City and BPSEA agree that if Cesar Chavez Day is ever declared a Federal Holiday it shall be incorporated herein as an observed holiday.

The City shall observe the Friday preceding a legal holiday falling on Saturday as a legal holiday and the Monday following a legal holiday falling on a Sunday as a legal holiday.

The City will continue in effect its practice of permitting one-half (1/2) of the employees in the representation unit to be off work without loss of pay and benefits on the working day immediately preceding the Christmas Day holiday and the remaining one-half (1/2) of the employees in the representation unit to be off work without loss of pay and benefits on the working day immediately preceding New Year's Day.

16.2 Work Performed on Holidays

1) Holiday Recall

Employees recalled to work on any of the holidays listed in Section 16.1 of this Memorandum of Understanding when they are not regularly scheduled to work shall receive a minimum of three (3) hours work for each such call out, or if three (3) hours work is not furnished, a minimum of three (3) hours pay at the rate of time and one-half (1-1/2) the employee's straight-time hourly rate of pay. In addition the employee shall receive one (1) hour of compensatory time off for each hour actually worked not for each compensated hour. This section is not applicable to those employees on standby.

2) Holiday Pay (Water Treatment Plant)

Water Plant operators shall receive one and one-half (1-1/2) their regular straight-time rate of pay for hours worked on a holiday observed by the City. When a holiday observed by the City occurs on a scheduled non-work day, the employee shall receive one and one-half (1-1/2) times their regular straight-time rate of pay on their next scheduled work day.

3. All other employees scheduled to work on a holiday

In addition to the regular straight-time pay received for an authorized holiday, employees scheduled to work on a holiday shall receive one and one-half (1-1/2) times their regular straight-time rate of pay for every hour worked.

Section 17. Salary Plan

17.1 Salary Cost of Living Adjustments (COLA):

~~July 1, 2006 — 2% COLA~~

~~January 1, 2007 — 2% COLA~~

~~July 1, 2007 — Market adjustment based on completed/implemented classification study.~~

~~July 1, 2008 — 2% COLA~~

~~Jan 1, 2009 — 2% COLA~~

~~July 1, 2009 — Market adjustment~~

~~July 1, 2010 — 3% COLA~~

There shall be no salary range increases during the term of this MOU. Effective July 1, 2011, each step of the salary range shall be reduced by 1.4%. However, an additional temporary 1.77% reduction in salary will be added for the remainder of the fiscal year 11/12 to account for the July and August 2011 retro portions.

17.2 Modified Total Compensation Elements

The following elements will be surveyed to determine the mean average of total compensation:

Top Step Salary

PERS pick-up (employer's contribution of employee's statutory share and of retirement cash differentials)
Maximum Healthcare pick-up (all employer contributions towards dental, vision, and health)

Section 18. Salary Administration

18.1 Salary at Time of Employment

The salary plan provides a salary range for each classification with a minimum, maximum, and one or more intermediate steps. The beginning or normal hiring rate shall usually be at the first step of the range. Every new employee shall be paid the first step on employment except that the City Manager may authorize employment at a higher step if the labor supply is restricted or the person to be hired is unusually well qualified.

18.2 Eligibility for Advancement in Pay

Employees may be advanced from Step A to Step B, and From Step B to Step C, from Step C to Step D and from Step D to Step E in accordance with the time-in-step guidelines outlined below and as merited by progressive improvement in job skills and work performance. The following time-in-step requirements shall apply before an employee gains eligibility for advancement in pay.

Step	Time-in-Step
A	6 months
B	1 year
C	1 year
D	1 year
E	

If warranted for the good of the service or when an employee demonstrates outstanding capacity in performing his/her duties, advancement may be made prior to completion of the above time-in-step requirements. In determining time-in-step it shall begin on the first day of the payroll period if employment occurs during the first fifteen (15) days of the period, otherwise time shall begin on the first day of the next payroll period. Advancement in pay when approved, shall be effective at the beginning of the first pay period immediately following completion of the time-in-step requirement outlined above. If an employee is on leave without pay for more than one month, the period shall be deducted from accumulated time-in-step.

The City agrees to form a committee comprised of management and bargaining unit employees to study the feasibility of adding additional steps to the salary range or reconfiguring the current A-E salary steps. Additionally, the committee will study the feasibility of employees advancing beyond a 5-step salary range based upon attaining specifically pre-defined and quantifiable job skills, education and/or certifications(s) directly related to their current job classification. The Union understands that the City has not committed any money to the implementation of the study results. This discussion will be included in the meet and confer process for the 2007 compensation study.

18.3 Attaining Advancement

An employee, in order to be advanced to a higher step, must demonstrate that advancement is merited on the basis of job performance. Performance ratings shall guide supervisors and department heads in determining whether step advancements have been earned and should be recommended to the City Manager. Performance ratings shall also serve as a means whereby an employee may benefit from a regular review of his or her performance by his or her immediate supervisor for: a) clarifying the supervisor's and the employee's expectations regarding job performance; b) reviewing the employee's performance of duties assigned and noting deficiencies requiring improvement or recognizing exemplary performance; and c) establishing employee developmental goals in appropriate career or performance areas.

18.4 Withholding Step Advancement

Department heads have the authority and responsibility to recommend to the City Manager that step advancements be withheld if they are not merited. Department heads shall keep their employees informed about their job performance, giving good work its proper recognition and any deficient work all possible guidance and assistance toward improvement. Department heads shall notify the employee as to the reasons for withholding step advancements prior to submitting such recommendation to the City Manager.

18.5 Change in Pay Upon Promotion

When employees are promoted, they shall normally receive the first step in the salary range for their new position. However, if such step is equal to or less than their present salary they shall receive the next step in the salary range of the new position which is immediately above their present salary.

18.6 Change in Pay Upon Demotion

When employees are demoted they shall be placed in a salary step in their new class which is the same as or immediately below the step held prior to demotion providing said demotion is not the result of disciplinary action.

18.7 Change in Pay Upon Reclassification

When a position is reallocated to a classification with a higher pay range, and the incumbent employee retains the position, he/she shall be placed at the first step immediately above his/her present salary.

18.8 Flexible Staffed Positions

Flexible Staffed Positions: Classifications noted as having a level I and a level II are considered flexibly staffed. Normally, employees are initially hired into the lower classification of these flexibly staffed positions.

At the six month evaluation period, it shall be determined whether the employee is advancing satisfactorily to the higher level position. Should it be determined that the employee is not satisfactorily advancing, the following work plan will be implemented at that time: Management shall identify in writing specific areas of deficiencies; and 1) develop a written work plan to correct deficiencies; and 2) demonstrate continuing deficiencies that training has failed to correct.

Upon successful completion of one (1) year in the lower classification where the employee has demonstrated the ability to meet the requirements of the higher classification, the employee will be promoted to the next higher class in the series. The criteria set forth in Section 18.3 above should be followed to determine if such promotion shall take place.

18.9 Acting Pay

1) Working out of Classification

Employees, other than those serving in a flexibly staffed position as defined in Section 18.8, may be assigned to perform the duties of a higher classification on an “acting” basis when a vacancy exists or when a special limited term assignment necessitates an individual to work out of class in such higher paid classification for a period in excess of five (5) consecutive working days. An “acting” assignment shall

only be made by the department head and employees shall be provided with a written notice assigning them to the higher classification on an acting basis. Employees so assigned shall receive “acting” pay only after performing in the higher classification for a period of five (5) consecutive workdays.

Employees assigned by the department head to perform the duties of a higher classification on an “acting” basis, shall receive “acting” pay for each full day of assignment in such higher classification at the completion of the fifth day retroactive to the first day of assignment. Acting pay shall be at least five percent (5%) more than the employee’s salary in his/her present classification; provided, however, in no event shall acting pay exceed the top salary step of the classification in which the employee is serving in an acting capacity.

2) Acting Supervisor

Whenever a bargaining unit employee is required to serve as an acting supervisor for a minimum of one (1) shift, the employee shall be compensated for each shift working in that capacity by one (1) additional hour of pay at the employer’s regular straight-time rate.

Employees holding State Pest Control Advisor certification shall receive acting supervisor pay for each particular shift on which they perform these duties.

All acting assignments shall be offered on the basis of qualifications for such assignment according to the judgment of the department head or the department head’s authorized representative and shall be consistent with the Personnel Rules.

18.10 Pay Period

The payday for each employee shall be the last day of the month or as authorized by the City Council.

18.11 Terminal Pay

An employee who is terminated, resigns or retires is entitled to terminal pay for:

- 1) That portion of the final pay period from the first day of the final pay period to the effective date of separation. The day of

separation is either the working day specified for the separation or the last day of the pay period if no date is specified;

- 2) Accrued vacation actually earned but not taken, subject to the provisions on leave of absence;
- 3) Accrued overtime;
- 4) Prorated VantageCare Retiree Health Savings contribution.

In the case of an employee's death, the City shall pay the employee's beneficiary the sums set forth in items 1 through 4 above provided, however, that the employee must have designated a beneficiary on a form specified by the City Manager. If the form specified by the City Manager has not been completed and returned to the finance director, terminal pay shall be paid to the estate of the employee.

Terminal pay shall be paid to an employee only upon submission by the employee of all city-owned property in the employee's possession, including but not limited to, keys, badges and credit cards.

18.12 Longevity Pay

All employees shall be entitled to a 2-1/2% increase in basic salary upon completion of ten (10) consecutive years of full time service.

Additionally, for each additional ten (10) consecutive year increment, i.e., twenty (20), thirty (30), forty (40) years, of full-time consecutive service, employees shall be entitled to an additional 2-1/2% increase in basic salary over the rate for the class in which the employee is employed.

Upon completion of ten (10) consecutive years of service and receiving longevity compensation, any further pay increase shall be in addition thereto, and not restricted or reduced by reason of the longevity increase.

18.13 Compensation Definitions

The following are terms used throughout this MOU relating to forms of compensation. These are the definitions of those terms.

- **Basic Salary** = Salary listed on the most current Salary Schedule

- **Base Pay** = Salary listed on the most current Salary Schedule plus longevity and/or education if applicable
Straight Time Hourly Rate = Base Pay / 173.3

Section 19. Transfer

19.1 Transfer Between Divisions Within a Department

A regular employee may be transferred between divisions within a department at the discretion of the department head.

19.2 Transfer Between Classifications

Upon approval by the Personnel Officer, an employee may be transferred by the appointing authority at any time from one position to another in a comparable class. For purposes of this section, a comparable class is one with substantially the same salary range, involving the performance of similar duties and requiring substantially the same basic qualifications. No regular employee shall be transferred to a position for which they do not possess the minimum qualifications.

19.3 Lateral Transfer Between Departments

A regular employee may be transferred between departments with the consent of the employee and the approval of the department heads involved. The City Manager may offer such transfer for purposes of efficiency and/or economy.

1) Conditions

The following conditions must exist:

- a) An authorized position must be vacant.
- b) The employee requesting transfer must meet the minimum qualifications for the vacant position.
- c) All eligible individuals who submit applications to the City's Personnel Office will be interviewed by the Department head or his designee when a vacancy exists and will be considered prior to any other recruitment process.
- d) Factors to be considered regarding a transfer will include, but will not be limited to, related experience, job performance, attendance, and seniority with the City. If all other factors are substantially equal, when two or more employees request the same transfer, seniority will prevail in the selection of the transferee.
- e) The transfer of a permanent employee from one department to another may be made with the consent of

the employee and the department heads concerned. The City Manager may approve a transfer for the purposes of economy and efficiency in the operations of the City government.

- f) A transfer shall not be used for the purpose of evading the provisions of the personnel ordinances regarding promotion, advancement or reduction.

2) Procedure for Transfer

Whenever a City authorized permanent position becomes vacant, the City shall:

- a) Post a transfer job announcement for a period of five (5) working days in the City personnel office, all departments and divisions, prior to any other notice to recruit and include the following information:
 - job title
 - job location
 - department and location
 - final filing date
- b) Employees applying shall complete a standard application for employment form and shall submit it to the Personnel Department by the posted deadline.
- c) The City shall notify applicants of their acceptance or rejection within ten (10) working days after the department head has interviewed all applicants for the transfer.
- d) When a transfer opportunity is posted and not filled, the position shall be filled in accordance with the City's current Personnel Rules.

It is the intent of this policy to provide an equitable method of meeting the City's needs as well as relocating personnel with the objective of matching employee skills with existing vacancies. It is further the intent to provide a systematic and uniform means in which employees may relocate from one site to another.

Section 20. Deferred Compensation

Employees may participate in the City's deferred compensation plan.

Section 21. Uniform Allowance

All employees will wear approved City uniforms or will adhere to the dress code established by the Department Head of their respective departments. **See Appendix A**

Section 22. Insurance

22.1 Health and Welfare

The City shall continue to offer hospital-medical, dental and vision plans as those plans are currently structured or as the plans may be amended from time to time by the plan providers. The City may substitute plans currently offered with plans of substantially similar benefits.

The 2010/2011 Kaiser rates were as follows:

Employee: \$592.37

Employee + 1: \$1,184.75

Employee + family: \$1,575.71

Effective the first full pay period after the adoption of this tentative agreement by the City Council the City's contribution towards medical premiums for fiscal year 2011 – 2012 shall be equivalent to the 2010/2011 rates above plus an even share in the amount that exceeds the current FY 2010-2011 Kaiser contribution levels, up to a capped maximum city contribution amount of \$29.63/month for single, \$59.25/month for employee plus one, and \$79.49/month for employee plus family. Based on the rates received, the city 2011/2012 contribution levels will be:

Employee: \$622.00

Employee plus One: \$1,244.00

Employee plus Family: \$1,655.20

During the term of the MOU, the parties agree to participate with the other bargaining units to determine whether or not any medical plan design changes would assist in reduction of costs to the city and/or reduction of premiums for employees. The parties recognize that any such changes in plan designs require agreement by all City bargaining units.

~~The City's maximum liability for premium contributions for hospital-medical benefits shall be limited to the then current Kaiser Foundation Health Plan contribution rate for the class of dependency coverage involved. For those employees enrolled in other plans, the City shall contribute in addition to the then current Kaiser Foundation~~

~~contribution rate, fifty percent (50%) of the difference between the current Kaiser Foundation contribution rate and the then current contribution rate charged by the City's individual practitioner Health Maintenance Organization provider for the class of dependence coverage involved.~~

The City shall contribute the full premium required by the providers of the dental and vision care plans provided herein for the term of this Memorandum of Understanding.

The City shall allow employees who have dual coverage on their health plan to receive the equivalent amount the city contributes towards of the single rate for medical insurance ~~currently paid to for~~ Kaiser; this amount is to be added to the employee's paycheck.

Beginning with the October 31, 2011 paycheck, in addition to the regular employee contribution to the employer sponsored health plan selected, employees shall contribute a monthly pre-tax contribution to health care costs to reflect health care restructuring savings that the City would achieve from switching to \$15 co-pay health care plan based on the rates for FY 2011-12. In the event an employee is eligible and elects not to participate in the City's health plan, beginning with October 31, 2011 paycheck, the "in lieu" amount will be reduced to reflect health care restructuring savings that the City would achieve from switching to \$15 co-pay health care plan based on the rates for FY 2011-12. This is consistent with the City's desire to pursue citywide structural change relative to health care benefits, and the City is proposing this type of reduction with all units.

22.2 Life Insurance

The City shall pay the entire cost of providing each insurable regular, full-time employee with ~~Thirty~~ Fifty Thousand Dollars (~~\$350,000~~) group term life insurance with said policy to include accidental death and dismemberment coverage.

~~July 1, 2009 the City will increase the life insurance benefit to Fifty Thousand Dollars (\$50,000)~~

22.3 Retirement

The City contracts with the Public Employees' Retirement System (PERS) to provide retirement benefits for employees. The City's contract with PERS shall provide the following additional benefits:

A. For employees hired on or before June 30, 2011

- 1) One year highest PERSable compensation benefit, as contained in the California Government Code, Section 20042, for miscellaneous employees.
- 2) 1959 Survivor Benefits at the increased level, as provided for in Government Code Section 21573.
- 3) Credit for unused sick leave, as provided for in Government Code Section 20965.
- 4) 2.7% at 55 benefit option.

The City shall continue in effect its contract with the Public Employees' Retirement System (PERS) for the term of this Memorandum of Understanding.

The City agreed to amend its contract with the Public Employees= Retirement System (PERS) for miscellaneous employees to include the retirement benefit option of 2.7% @ 55 in accordance with Government Code Section 21354.5. This benefit became effective the first of the month following the final amendment process and approval by PERS. The City and the Benicia Public Service Employees' Association understand that this contract amendment would cover only those retiring after the date of implementation.

In addition, employees will assume responsibility for payment, by payroll deduction, of the ~~one (1%)~~ eight (8%) percent ~~increase~~ employee contribution into the employee=s retirement contribution account. The City will adopt the IRS 414(h)(2) provision allowing for payment of the ~~4~~8% on a pre-tax basis.

B. For employees hired after June 30, 2011, the city will contract with CalPERS for the 2% at 60 formula as soon as administratively possible through a contract amendment with CalPERS, average three (3) compensation period, and no other enhancements. Employees will be required to pay the 7% employee share of PERS on a pre-tax basis.

Section 23. Retiree Health Care

~~BPSEA employees agree to the elimination of the Sick Leave Incentive provision of their 2000-2005 agreement in order to participate in the ICMA VantageCare retiree health savings program. Under this plan, the City will contribute to the individual employee's retiree health savings account an amount equivalent to:~~

- | | |
|------------------------|--|
| 1-10 years | - 25% of Annual Unused Sick Leave Accrual |
| 11-15 years | - 40% of Annual Sick Leave Accrual |
| 16-19 years | - 60% of Annual Sick Leave Accrual |

- ~~20-24 years - 80% of Annual Sick Leave Accrual~~
- ~~25 years or more - 100% of Annual Sick Leave Accrual~~

~~In order for an employee to receive the 40% or greater amounts they must maintain 500 hours of sick leave accrued in their city sick leave account. If they fall below the 500 hours the City will revert to the contribution amount equivalent to 25% of the employee's annual unused sick leave accrual until such time as the employee has again accrued 500 hours. The 500 hours must be in the employee's individual account by December 20th of each year in order to receive these greater amounts.~~

Section 24. Harassment

The City will not tolerate harassment of other City employees by any other employee of the City. Harassment is defined as any treatment of an employee which has the purpose or effect of affecting employment decisions concerning an individual, or unreasonably interfering with an individual's work performance, or creating an intimidating and hostile working environment. Such conduct includes but is not limited to unwelcome conduct of a sexual nature, arbitrary or capricious changes of assignments of an individual or of a particular sexual, racial or minority group, or display of a hostile attitude (including but not limited to yelling, swearing and verbal abuse) towards an employee by a supervisor or by a fellow employee which is not justified or necessary for the proper performance of the work of the employee.

Section 25. Grievances/Disciplinary Appeals

25.1 Definition

A grievance is any dispute which involves the interpretation or application of any provisions of this Memorandum of Understanding, or rules, regulations, resolutions, ordinances and existing practices which specifically govern personnel practices and working conditions of unit members. A disciplinary appeal is an appeal by an employee of a discharge, demotion, reduction in pay or suspension without pay. The process will be determined by the employee's selection as set forth in Section 9.11 of the City of Benicia Personnel Rules.

25.2 Procedure

Grievances/Appeals filed pursuant to this Memorandum of Understanding shall be processed in the following manner:

For the purposes of this Section, the term "working days" shall mean those days the City is normally open for business.

- 1) The grievance shall be presented in writing either by the employee or by an authorized union representative to the designated supervisor of the employee within ten (10) working days after the cause of such grievance occurs.
- 2) The designated supervisor shall have ten (10) working days from the date of receipt of the grievance in which to investigate and respond. If the grievance is not satisfactorily adjusted within this period, the grievance may be presented in writing either by the employee or by an authorized union representative within ten (10) working days to the department head or to such representative as the employee may designate. Disciplinary appeals must be presented to the department head within ten (10) working days from date of receipt of the Notice of Intent to Discipline. Appeals which are not presented within this time limit shall be deemed waived and abandoned.
- 3) The department head or a designated representative shall have ten (10) working days from date of receipt of grievance/appeal in which to respond. If the grievance is not satisfactorily adjusted/resolved within this period, the grievance/appeal may be presented in writing either by the employee or by an authorized Union representative to the City manager or to such representative as the City Manager may designate.
- 4) If the parties are unable, within ten (10) working days, to reach a mutually satisfactory accord on any grievance/appeal which arises and is presented during the term of this Memorandum of Understanding, such grievance/appeal shall be submitted to an Adjustment Board comprised of two (2) Union representatives, no more than one (1) of whom shall be either an employee of the City or an elected or appointed official of the Union; and two (2) representatives of the City, no more than one (1) of whom shall be either an employee of the City or a member of the staff of any organization employed to represent the City in the meeting and conferring process. No decision of the Adjustment Board shall be final and binding without receiving the affirmative votes of at least three (3) members of the Board.
- 5) If an Adjustment Board is unable to arrive at a majority decision, either the Union or the City may require that the grievance/appeal be referred to an impartial arbitrator who

shall be designated by mutual agreement between the Union and the City Manager. The fees and expenses of the arbitrator and a court reporter shall be shared equally by the Union and the City. Each party, however, shall bear the cost of its own presentation including, but not limited to, preparation and posting hearing briefs, if any.

- 6) Decisions of Adjustment Boards and arbitrators on matters properly before them shall be final and binding on the parties hereto.

25.3 Scope of Procedure

No Adjustment Board and no arbitrator shall entertain, hear, decide or make recommendations on any dispute unless such dispute involves a position in a unit represented by the Union and unless such dispute falls within the definition of a grievance as set forth in Section 25.1

25.4 Change to Memorandum

Proposals to add to or change this Memorandum of Understanding or written agreement or addenda supplementary hereto shall not be arbitrable and no proposal to modify, amend or terminate this Memorandum of Understanding, nor any matter or subject arising out of or in connection with such proposal, may be referred to arbitration under this Section. Neither any Adjustment Board or any arbitrator shall have the power to amend or modify this Memorandum of Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.

25.5 Disciplinary Action

No appeal involving disciplinary action taken against an employee will be entertained unless it is filed in writing with the City Manager within ten (10) working days of the time at which the affected employee was notified of such action.

25.6 Compensation Complaints

All complaints involving or concerning the payment of compensation shall be initially filed in writing with the City Manager. Only complaints which allege that employees are not being compensated in accordance with the provisions of the Memorandum of Understanding shall be considered as grievances. Any other matters of compensation are to be resolved in the meeting and conferring process and if not detailed in the

Memorandum of Understanding which results from such meeting and conferring process shall be deemed withdrawn until the meeting and conferring process is next opened for such discussion. No adjustment shall be retroactive for more than thirty (30) days from the date upon which the complaint was filed.

25.7 Personnel Rules

- 1) The provisions of this Section shall not abridge any rights to which an employee may be entitled under the Personnel Rules.
- 2) All grievances/appeals of employees represented by the Union shall be processed under this Section. If the Personnel Rules require that a differing option be available to the employee, no action under paragraph (3) or (4) of Section 25.2 above shall be taken unless it is determined that the employee is not availing himself or herself of such option.
- 3) No action under paragraph (2) or (3) of Section 25.2 above shall be taken if action on the complaint or grievance/appeal has been taken by the Civil Service Commission, or if the complaint or grievance/appeal is pending before the Civil Service Commission.

25.8 Steward

Three (3) stewards and three (3) alternate stewards shall be appointed by the Union to assist in resolving workplace issues and other representational duties including, but not limited to, handling grievances.

The City shall provide four (4) hours of paid time each contract year to each steward and alternate for steward's training. BPSEA will give one (1) month's notice to the City before scheduling training.

The City will provide eight (8) hours of paid leave time for four (4) stewards to attend a one (1) day SEIU Local 614 internal reorganization meeting. This paid leave time will sunset on June 30, 2007 and cannot be rolled over to another year.

Grievances which may arise and which cannot be adjusted on the job shall be reported to the Union by the steward; provided, however, in no event shall the steward or the Union order any changes, and no changes shall be made except with the consent of the City. If the aggrieved employee desires the assistance of a steward as provided in Steps 1, 2 or 3 of the grievance/appeal procedure, the City shall afford said steward reasonable time off

during working hours without loss of compensation or other benefits to investigate and take up said grievance/appeal. The grievant and/or the area's steward shall obtain the specific approval of the supervisor or, in the latter's absence, another authorized City management official before leaving their duties or work situation or assignment for the purpose of investigating and/or processing a grievance/appeal.

The Union will also be informed when a new unit member is hired. The City will include a Union informational packet, with the City's orientation papers, for each new employee.

Section 26. Safety

The City shall expend every effort to see to it that the work performed under the terms and conditions of this Memorandum of Understanding is performed with a maximum degree of safety consistent with the requirement to conduct efficient operations.

Section 27. Personnel Files

Every City employee shall have the right to inspect and review any official personnel record relating to his or her performance as an employee or to a grievance concerning the employee which is kept or maintained by the City's Human Resources Department; provided, however, that letters of reference are exempted from the provisions of this section as required by law.

The contents of such records shall be made available to the employee for inspection and review at reasonable intervals during the regular business hours of the City. The employee may obtain copies of the contents of his/her official personnel record upon written request.

The City shall provide an opportunity for the employee to respond in writing, or personal interview, to any information about which he or she disagrees. Such response shall become a permanent part of the employee's personnel record. The employee shall be responsible for providing the written responses to include as part of the employee's permanent personnel record. The employee will be notified of any information derogatory in nature entered into his/her official personnel record.

This section does not apply to the records of an employee relating to the investigation of a possible criminal offense.

Section 28.Layoff

28.1 Procedure

The procedure for layoff will be as defined in the City of Benicia Personnel Rules.

28.2 Order of Layoff

Employees within the class of position involved shall be laid off in the following order of appointments: Temporary, Part-time Probationary, Full-Time Probationary, Part-Time Regular, and Full-Time Regular. The order of layoff of Part-Time Regular and Full-Time Regular employees shall be based on both the length of service of the employee in the classification involved and the employee’s job performance as documented by their last three (3) performance evaluations. When considering the length of service of the employee, the ratings earned over the last three (3) annual evaluation periods shall be taken into consideration. The employee shall be credited with an additional two (2) years of service for each overall “Exceeds Expectations” rating and one (1) year of service for each overall “Meets Expectations” rating during that three year period. Employees with the least seniority shall be laid off first.

If an employee has “bumping rights” to a previously held lower classification, then the affected employee’s overall City seniority becomes the determining factor for layoff in that lower classification.

Section 29. Labor Market Definition

The parties have agreed that the following agencies will be used for compensation comparison purposes:

Agency
Vallejo
Fairfield
Richmond
Vacaville
Napa
Davis
Folsom
Pleasant Hill
San Pablo
El Cerrito

Pinole
Dixon

Additional agencies and Districts for utilities only:

Contra Costa Water District
Central Contra Costa Sanitary District
East Bay Municipal Utility District

Before the commencement of the 2007 salary survey BPSEA shall have the option of replacing City of Dixon with the City of Brentwood.

Section 30. Closing Clauses

The effective date of this Memorandum of Understanding shall be **July 1, 2006**~~11~~ and shall remain in effect until **June 30, 2011**~~12~~.

~~This Memorandum of Understanding shall be in force after its expiration for thirty (30) days, by mutual agreement, where negotiations between the City and BPSEA have not resulted in a new Memorandum of Understanding.~~

If any section of this Memorandum of Understanding should be found invalid, unlawful, or unenforceable by reason of any existing or subsequent enacted legislation or by judicial authority, all other Sections of this Memorandum of Understanding shall remain in full force and effect for the duration of this Memorandum of Understanding. In the event of invalidation of any Section, the City and the BPSEA agree to meet within thirty (30) days for the purpose of renegotiating said Section.

This Memorandum of Understanding shall be submitted to the City Council for its adoption.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding this _____ day of _____, 200711.

**BENICIA PUBLIC SERVICE
EMPLOYEES' ASSOCIATION, INC.**

CITY OF BENICIA

~~Alan Hodges~~David Murray _____
Kilger
President

~~Jim Erickson~~ Brad
City Manager

~~Jim Kavanagh~~ Jim Phillou
Cardwell
~~S.E.I.U., Local 614, Field Representative~~
Services Director
CEA

~~Diane O'Connell~~Anne
~~Human Resources~~ Administrative

Roy Garibaldi Jr.
Vice President

Sharon Williams

~~Pam Namba~~ Jim Arruda

Craig May

APPROVED AS TO FORM BY
City Attorney:

Heather Mc Laughlin

Appendix A - Uniforms

Article of Clothing	"T" Shirts and/or Polo Shirts	Button Down Shirts	Uniform Pants	Laboratory Coat	Shop Coat	"T" Shirts and Polo Shirts	Winter or Summer Jacket	Coveralls	Safety Boots	Jeans Option
Departments Affected	PW	PW	PW	PW	PW	P&CS	P&CS and PW	P&CS and PW	P&CS and PW	P&CS and PW
Number Allocated to Each Individual	6 "T" or 1 Polo in lieu of 2 "T" up to 3 Polo Maximum	**	$\frac{11}{**}$ for PW	up to 3	up to 5	5 Polo 5 "T"	1*	$\frac{3 \text{ for P\&CS}}{** \text{ for PW}}$	n/a	n/a
Responsible for Purchase	City Provides	City Provides (through Uniform Service)	City Provides	City Provides	City Provides (through Uniform Service)	Employee Purchase – City Reimbursed up to \$190 to Purchase or Maintain the required safety-toed boots.	City Pays through Employee Payroll on July 1 st each year or upon a new hire - \$200 to Purchase, Maintain and Launder.***			
Color and	Dark	Gray/Orange	Navy Blue	White for	Navy Blue	5	Navy Blue	Blue for	n/a	WWTP

Positions Affected	Blue only for WTP and Equipment Services – WWTP choice of Lt Blue and Dark Blue – Orange only for Corp Yard Field	e for PW Maintenance, Medium Blue for Equipment Services and WTP, Lt Blue with Navy Stripes for WWTP	for WWTP and Equipment Services. Gray for Corp Yard Mtn.	Lab Techs, and Water Quality Techs	for Equipment Services, and WWTP Maintenance Mechanic	Orange and 5 Tan or Blue for all P&CS positions listed below	for WTP operators, Orange for Mntc Mechanics – Dark Blue for WWTP – Corp Yard selects from Orange or Green.	Equipment Services, and Building Maintenance Gray for WTP, WWTP, PW Maintenance	operator s are exempt due to health and safety reasons
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Positions Covered: Maintenance Worker III, Field Utilities Series, Parks Landscape and Building Maintenance Series, Water Treatment Plant Operator Series, Wastewater Treatment Plant Operator Series, Laboratory Technician Series, Maintenance Foreman, Maintenance Custodians, Senior Mechanic, Mechanics, Maintenance Mechanics, Engineering Technician Series and all Inspectors.

* Replaced as needed, but no more than once each fiscal year.

** Quantity of 7 if employee elects to receive jean allowance and Quantity of 11 if they do not receive jean allowance.

***Upon appointment of a new employee, or July 1st each year, Public Works employees may opt to stop receiving their maximum five (5) changes (11 total) of uniform pants in exchange for a \$200.00 per year jean allowance. This allowance covers the cost for purchase, maintenance and laundering of jeans. Employees opting for the jean allowance must also agree to reduce their allotment of coveralls and button shirts to seven (7).

**AGENDA ITEM
SPECIAL CITY COUNCIL MEETING: SEPTEMBER 28, 2011
BUSINESS ITEM**

DATE : September 23, 2011

TO : City Council

FROM : City Manager

SUBJECT : **UNILATERAL IMPLEMENTATION OF CHANGES IN WAGES, HOURS AND TERMS AND CONDITIONS OF EMPLOYMENT FOR EMPLOYEES IN BENICIA FIREFIGHTERS ASSOCIATION (BFA)**

RECOMMENDATION:

Adopt the resolution implementing changes in wages, hours and terms and conditions of employment for employees in the Benicia Firefighters Association (BFA) and authorize the City Manager to take the necessary actions appropriate to effectuate the purpose and intent of this action.

EXECUTIVE SUMMARY:

Not unlike most jurisdictions in California, the City of Benicia has identified a structural deficit due to the unprecedented downturn of the economy. The deficit is anticipated to continue for the next 10 years, with a projected shortfall of approximately \$1.7 million for 2011-12. The salary and benefit reductions for BFA recommended in this City Council agenda item are consistent with the Council's direction to staff related to concession negotiations, and they are consistent with the types of salary and benefit concessions that have been agreed to via negotiations with the other employee associations representing City employees. Specifically, senior managers, mid-managers, police mid-managers, Local One, Benicia Police Officers Association, Benicia Dispatchers Association, and unrepresented employees, in addition to the City Manager, City Attorney, City Council and City Clerk have all taken the requested reductions. Further, an item to approve the 2011-12 Benicia Public Service Employees Association Memorandum for the City's largest employee group, which includes agreed upon concessions, is also on the Council's agenda for September 28th. These actions by the majority of the City's employee groups will assist the City's efforts to make ongoing reductions in order to address the City's structural deficit.

STRATEGIC PLAN:

Relevant Strategic Plan Issues and Strategies:
Strategic Issue #3: Strengthening Economic and Fiscal Conditions

BUDGET:

This action achieves the necessary total savings of approximately \$256,021 to the City's general fund on an ongoing basis. The ongoing savings is critical since revenues to the City since 2010 have been steadily on the decline and the economy is not expected to recover any time soon.

BACKGROUND:

At the beginning of the economic downturn in early 2008, it was hoped that a recovery would occur within 18 – 24 months. However, the economy did not recover and continues to decline even further today. While the City of Benicia was able to maintain its budget during the downturn from 2008 - 2010, in part due to revenues from Valero, beginning in the 2010 – 2011 fiscal year this was no longer the case.

The City adopted a budget in FY 2010 – 2011 that began to address the projected shortfalls as a result of declining sales and property taxes and reduction in other areas such as Valero related revenues and State funding. The City Council's desire was to preserve the current level of services to the community to the extent possible and ask employee groups to share in the overall reductions in order to meet its budget challenges.

The City negotiated successor contracts with all other City employee groups during the 2010 – 2011 fiscal year (except for Benicia Public Service Employees Association, because its contract did not expire until June 30, 2011). As part of those successor negotiations, all employee groups contractually agreed to a 3.16% ongoing salary and benefit reductions, and a contract reopener for further ongoing salary and benefits reductions as part of the new 2010-12 contracts. Currently, the City has reached agreement with all other employee groups with the contract reopener for an additional 6.86% contractual reduction for a total of approximately 10%. The economic downturn on a national, state and local level has a tremendous effect on the residents of the City of Benicia and the City's dedicated employees. The City recognizes that reductions in salary and compensation have a significant impact on employees and their families and appreciates those who have agreed to reductions to preserve the mission of the City to provide quality services to the community.

The City and BFA negotiated a two-year contract, which expires on June 30, 2012. The negotiated contract provides a reopener provision that allows the City to reopen the contract to meet and confer over other alternatives, *including concessions* {emphasis added} to prevent layoffs of firefighters due to the deteriorating economic condition of the City's revenues. In negotiations, the parties discussed that similar to virtually every public agency in the Country, the City of Benicia was experiencing a decline in revenues and increases in cost due to increases in medical and CalPERS pension rates. It was also discussed

that this reopener provision was necessary because of the anticipated additional slide in revenues and other potential reductions from the State.

On May 3, 2011, the City Council held a public hearing in order to consider options for addressing the shortfall in the 2011-12 budget. The Council considered a variety of cost-saving options, including layoffs, and directed staff to trigger the reopener clauses in the 2010-12 MOUs in order to seek reductions in employee compensation to address a portion, 75% or \$1.3 million, of the projected shortfall. This was based on the fact that employee compensation makes up approximately 75% of the General Fund. The Council also made clear that their goal was to avoid impacting services to the community.

The City Manager's office began meeting with all bargaining groups with a reopener provision similar to the one in the Fire contract the first week of May when the City determined that it needed to close a \$1.7 million dollar deficit in its 2011 – 2012 budget. The City Manager's office held three meetings (May 4th, 11th and 18th) in an attempt to get agreement from each of the bargaining groups on an across the board 6.86% ongoing reduction in compensation. BFA representatives attended those meetings on behalf of BFA. The City formulated a calculation worksheet for BFA on May 11, 2011 to assist BFA in formulating its proposals. At the end of the meeting of May 18th, the City provided each bargaining group with an initial illustration of how the 6.86% could be achieved by their group, as time was of the essence since the new fiscal year budget began on July 1st.

On May 23, 2011 the City again requested to meet and confer with BFA on concessions as provided for by the MOU. The parties were scheduled to meet on June 14, 2011. Since the end of the fiscal year was drawing near, the City sent Mr. Akins a letter on June 10, 2011 that confirmed the June 14, 2011 meeting, as well as a proposal for how BFA might consider taking the 6.86% concession. Additionally the letter pointed out that the reduction for BFA is \$256,021 for fiscal year 2011 – 2012 beginning on July 1, 2011 and that "if the concessions are implemented later than this date, the required fiscal year savings will need to be achieved in less than a full fiscal year period of time. For example, if the savings are not in place until January 1, 2012, the percentage reduction necessary to achieve the target savings will be approximately 12.72%."

On June 14, 2011, BFA cancelled the scheduled meeting with the City because its negotiator was unavailable. Unfortunately, due to Mr. Akins' schedule, the parties did not meet until June 23, 2011, a month after the City requested to meet and confer on concessions and eight days before the start of the 2011 – 2012 fiscal year.

The parties then met on June 22, June 27, July 5 and July 18, 2011. On July 18, 2011, the City declared impasse and the City and Union jointly agreed to participate in mediation with the State Conciliation and Mediation Services through the State of California Industrial Relations Program. The Parties last proposal prior to mediation on July 18, 2011 is summarized in the following chart:

Element	City Proposal	Union Proposal	Differences between Proposals
Holiday Pay	Eliminate remainder holiday pay on ongoing basis	Defer payment of remainder of holiday pay until July 1, 2012	City needs ongoing savings and Union wants reinstatement of holiday pay
Uniform Pay	Eliminate uniform pay	Defer uniform pay until July 1, 2012	City needs ongoing savings. Union wants reinstatement of uniform pay
Employee Pick up of increased PERS Pension Cost	Employee's pay an additional 4% of payroll cost towards the current 38% of payroll cost to the Employer for 3%@50 retirement formula	Rejected because of reduction in salary to employees and City could reach savings by eliminating positions or not filling positions	City not waiving its management rights to determine appropriate staffing and program services to the community
Medical Plan Changes	Pre-tax deduction equivalent to the savings expected from moving from a zero co-pay plan to \$15.00 co-pay plan	Rejected because of reduction in salary to employees and City could reach savings by eliminating positions or not filling positions	City not waiving its management rights to determine appropriate staffing and program services to the community
Salary Reduction	1.9% Salary reduction	Rejected because of reduction in salary to employees and City could reach savings by eliminating positions or not filling positions	City not waiving its management rights to determine appropriate staffing and program services to the community

Element	City Proposal	Union Proposal	Differences between Proposals
Linen Contract	The linen contract is a departmental cost and provides for towels, bedding, laundering and replacement. City used to pay firefighters to do this through a salary add pay and was later negotiated out of the contract. The cost of linen services does have the salary and retirement add on cost if this were later converted to a salary add pay	Eliminate Departmental Linen Contract for Savings of \$8,000 instead of compensation reduction	This is a departmental cost, not a Fire Unit cost
Elimination of Required Physicals	The \$18,000 in the budget also includes cost of maintaining exercise equipment. Firefighters on paid time work out to maintain fitness and wellness and the required physicals is a part of this program. This is important component in working to minimizing workers compensation injuries	Eliminate Departmental Physical Exam program costs to Union instead of compensation reduction	The \$18,000 also includes cost of replacement of exercise equipment for the onsite gym. If the City is going to provide one aspect of wellness on paid time, the main measurement of wellness is the required annual fitness. The City would need to re-look at the entire wellness program in order to consider elimination of the annual required physicals

Mediation Process between Fire and the City

On July 18, 2011 after the City declared that the parties were at impasse, the parties jointly contacted the State Mediation and Conciliation Services to

request assignment of a State Mediator. The State Mediator held two sessions on August 12, 2011 and September 2, 2011. Mediation by State Law is a confidential process and nothing in mediation could be used against either party outside of mediation. The Mediator ended the mediation process as the parties were unable to reach agreement.

Union’s Post Mediation Proposal

On September 6, 2011 the City received Mr. Akins' letter dated September 2, 2011. The BFA's proposal contains many of the same proposals that led to the impasse. There are some new elements - BFA now seeks to extend its contract by a year and by doing so seeks to credit savings in outer years to the necessary savings needed to begin on July 1, 2011. Additionally, virtually every element provides for the reinstatement of the benefits and therefore does not provide for ongoing structural changes that were negotiated through the same reopener provision with other employee group. The following chart is the City's response to BFA's latest proposal.

Union's Proposal	City's Response
Elimination of Acting Pay for Engineers through 2013	City rejects this proposal as the City did not let other groups sunset reductions
Overtime savings of not back filling through overtime vacation leave of more than 6 weeks until 2013	City rejects this proposal as the savings on discretionary vacation above the potential six weeks is speculative. Other non-discretionary leave that the City has no control over are also charged to overtime and therefore any savings is speculative
Holiday Pay deferred until 2013 but sunsets and reinstated on July 1, 2013	City previously agreed to elimination of the rest of the holiday pay and already rejected the sunset provision
Linen Service Elimination	City previously rejected this proposal
Term Extended for a Year to June 30, 2013	This is a new element. This is rejected. Given that the economy has not recovered and it does not appear it will in the near future, the City is unable to extend the current contract until June 30, 2013. Additionally, the Union has filed a grievance on the reopener negotiated to address the economic uncertainty in the current contract to prevent the City from negotiating concessions now and the City is not going to extend that period of challenge to 2013.

City's Last Best and Final Offer

Given that the City has attempted to engage and negotiate with BFA since the beginning of May and that the end of the first quarter of the current fiscal year is fast approaching without a resolution on concessions; the parties have been at impasse since July 18, 2011; the parties did not reach agreement after mediation; and the Union's last proposal does not make substantial movement to break the impasse and, in fact, proposes new elements that include extending the contract expiration date to June 30, 2013 all the while the Union has threatened litigation on the City's ability to negotiate current concessions needed, the City presented its last best and final offer on September 16th.

The City requested that BFA take this proposal to its membership for a vote and notify the City no later than 5 pm on September 26th in writing. On September 22, 2011, Mr. Akins informed the City that the Fire Fighters rejected the City's Last Best and Final Offer.

The terms of the **City's Last Best and Final Offer** are as follows:

1. **Holiday Pay:** Effective July 1, 2011 Eliminate wording in Section 14.2.1 in MOU regarding receipt of Holiday Pay (saving the City approximately \$59,703/year)
2. **Uniform Pay:** Effective July 1, 2011 Eliminate Section 18.1 in MOU regarding uniform allowance. (\$22,368/year)
3. **Medical Plan:** New MOU Section 23.4 Additional Medical Contribution and Plan Design Changes. Effective July 1, 2011 a pre-tax deduction equivalent to the anticipated reduction of costs for this unit to move from a zero co-pay plan to a \$15.00 co-pay plan. Once the medical plan is implemented this pay deduction will be eliminated. (\$13,857/year)
4. **Retirement Contribution:** New MOU Section 24.5 as follows:
Effective July 1, 2011, Employee's shall contribute an additional 4% of Persable compensation through a post-tax payroll reduction. Upon agreement by all other Benicia Fire Safety groups, the City will apply for a Section 20516 PERS contract amendment that allows employees to pay the additional 4% of Persable compensation costs towards the employer's share of retirement on a pre-tax basis. Since CalPERS requires agreement by election of all fire safety employees in order to implement this amendment all other Benicia fire safety groups would need to be in agreement. (\$108,110/year)
5. **Pay:** New MOU Section 15.1 b of MOU changes as follows:
Effective July 1, 2011, each step of each salary range in this unit shall be reduced by 1.9%. (\$51,983/year)
6. **Retro Active Amount** needed to account for changes that are effective July 1, 2011, but savings not realized until the October pay check, in the amount of \$49,080 (representing July, August and September) will be

through an additional 1.835% to be captured over the remaining nine months of this fiscal year.

- 7. City Drops all other City proposals and rejects all other Union Proposals.**
- 8. All other terms of the contract not modified by this Last Best and Final Offer remain status quo.**

These concessions achieve a total of approximately \$256,021 per fiscal year in ongoing savings. The reductions are the equivalent of a 6.86% reduction in base pay plus associated payroll costs.

Attachment:

- Resolution and Exhibit A

RESOLUTION NO. 11-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING UNILATERAL IMPLEMENTATION OF CHANGES IN WAGES, HOURS AND TERMS AND CONDITIONS OF EMPLOYMENT FOR EMPLOYEES IN THE BENICIA FIREFIGHTERS ASSOCIATION (BFA)

WHEREAS, the City has an estimated \$1.7 million dollar deficit for 2011 -12 and sales and property tax revenues and funding from the state and federal sources are continuing to decline; and

WHEREAS, the existing 2010-12 Memorandum of Understanding (MOU) between the City of Benicia and BFA was reopened via City Council action to trigger the reopener clauses of the majority employee associations on May 3, 2011; and

WHEREAS, the parties have been meeting since May 2011 and have not reached agreement; and

WHEREAS, the parties were declared to be at impasse on July 18, 2011 and the City and BFA jointly agreed to participate in mediation with the State Conciliation and Mediation Services through the State of California Industrial Relations Program; and

WHEREAS, the City attended mediation with BFA and the parties were not able to reach agreement; and

WHEREAS, on September 16, 2011 the City gave BFA its Last Best and Final Offer and provided an additional 10 days to have its members vote on the offer; and

WHEREAS, on September 22, 2011, BFA notified the City that its members had rejected the City's Last Best and Final Offer; and

WHEREAS, except as modified below, all other terms and conditions of employment contained in the MOU are unchanged by this Council action, shall continue in full force and effect, and are limited to the extent that such continuance is required by California law, through June 30, 2012. This is the start of the normal contract cycle for the unit.

NOW, THEREFORE, BE IT RESOLVED THAT, in accordance with the Council's statutory authority (G.C. 3503) and the City's employer employee relations resolution, and after considering, the City Manager's recommendation that the Council exercise its authority to implement the changes in wages, hours and

terms and conditions of employment for employees represented by BFA, effective on October 1, 2011, and the City Council of the City of Benicia hereby approves this resolution and Exhibit A (attached), which incorporates the changes in the MOU language consistent with the City's Last Best and Final Offer.

BE IT FURTHER RESOLVED THAT, this resolution does not effect changes in items not referenced above which may be covered by prior MOU, policy or practice.

BE IT FURTHER RESOLVED THAT, the City Manager has the authority to take any necessary administrative actions to implement the changes to the wages, hours and terms and conditions to the July 1, 2010 – June 30, 2012 BFA MOU as adopted by this resolution.

On motion of Council Member _____, and seconded by Council Member _____, the above Resolution was introduced and passed by the City Council of the City of Benicia at a regular meeting of said Council held on the 28th day of September, 2011, and adopted by the following vote.

Ayes:

Noes:

Absent:

Elizabeth Patterson, Mayor

Attest:

Lisa Wolfe, City Clerk

EXHIBIT A to Resolution No. _____

SECTION 14. HOLIDAYS

14.2 Work Performed on Holidays

14.2.1 The City and the BFA agree that public safety employees are scheduled to work on the aforementioned holidays as a matter of health and safety of the community. ~~In lieu of the aforementioned holidays, the City agrees to pay sworn employees represented by the BFA, 1.642% of base salary per month, twelve (12) months a year in lieu of being off on the holidays. . Payment will be made twice a year on December 15th and June 15th of each City fiscal year.~~

14.2.2 The Fire Prevention Specialist and Fire Captain/ Administrative will observe the twelve (12) paid holidays listed in Section 13.1 plus one additional Personal Leave Day per year. For time worked on a holiday the Fire Prevention Specialist and Fire Captain/Administrative will be paid at the rate of one-and-one-half (1 1/2) times the regular rate of pay.

14.2.3 Unless otherwise directed by the Fire Chief based upon the essential operational needs to the department, a modified work schedule consisting of routine equipment and station maintenance, apparatus and equipment readiness, public education and/or customer service programs/issues, and emergency work will be in effect on designated holidays

SECTION 15. SALARY ADMINISTRATION

15.1 Salaries

There will be no salary increases during the term of this MOU. Effective July 1, 2011, each step of each salary range in this unit shall be reduced by 1.9%. Additionally, effective October 1, 2011 through the last pay period of the 2011 – 2012 fiscal year, an additional %1.835 will be captured representing the retroactive amounts from the savings not realized until October pay check in the amount of \$49,080 (representing July, August and September).

It is the intent of the City to remain competitive in the labor market and provide equitable salaries for its employees. Effective on the following dates, base salaries shall be adjusted by the percentage listed in Section 15.1.1_below. (See Attachment B - Salary Schedule)

A. Effective July 1, 2005 the following agencies shall be used for the purposes of salary surveys:

City of Davis, City of Dixon, City of Fairfield, City of Folsom, City of El Cerrito, City of Napa, City of Pinole, City of Richmond, City of Vacaville, City of Vallejo and Contra Costa Fire District.

B. The following components will be surveyed to determine the mean average of total compensation:

Base Salary, Education Incentive at the Bachelor's Degree rate, Holiday pay, Uniform allowance, EMT pay, PERS Retirement, and combined Insurance Costs (i.e. Medical, Dental, Vision, Life).

15.1.1 Effective July 1, 2010 in lieu holiday pay shall be reduced by 3.358% which would reduce the current rate of 5% to 1.642%. Effective July 1, 2011 in lieu holiday shall be eliminated.

15.1.2 The salary for Administrative Fire Captain shall be set at an amount equal to five percent (5%) above that of Fire Captain.

15.1.3 Effective July 1, 2005 the salary for Paramedic Firefighter shall be set at an amount equal to ten percent (10%) above that of Firefighter.

15.1.4 Effective July 1, 2005 the salary for Fire Engineer shall be set at an amount equal to ten percent (10%) above that of Firefighter.

15.1.5 Effective July 1, 2005 the salary for Fire Captain shall be set at an amount equal to ten percent (10%) above that of Fire Engineer.

SECTION 18. UNIFORM ALLOWANCE

~~**18.1**—The uniform allowance shall be \$50.00 per month.~~

18.2 Effective January 1, 2006, the annual Class A Uniform inspection will no longer be conducted one time each year. All sworn personnel will be required, however, to maintain at least one (1) suitable Class A Uniform to be worn when the employee is officially representing the City as directed by the Fire Chief.

The City agrees to repair or replace uniforms damaged in the line of duty. The Fire Chief or designated representative shall make the determination.

18.3 The City agrees to supply and maintain all linens such as blankets, sheets, pillows, pillowcases, and towels.

18.4 The City agrees to pay up to a maximum of \$75 towards replacement of broken watches damaged while on duty.

18.5 Effective January 1, 2006, the City will provide employees with the option to wear rubber or leather (Warrington Pro) turnout boots, which shall be provided by the City.

18.6 Effective January 1, 2006, the City will provide employees with the option to wear station boots provided by the City or an alternate boot approved by the City, matching the standards of City issued boots. Employees opting to wear alternate station boots shall be reimbursed for the purchase of the alternate boots up to the cost of City provided station boots.

SECTION 23. INSURANCE

23.1 Health and Welfare

The City shall continue to offer hospital-medical, dental and vision plans as those plans are currently structured or as the plans may be amended from time to time by the plan providers. The City may substitute plans currently offered with plans of substantially similar benefits..

Effective first full pay period after the ratification by the Union and approval by the City Council on its agenda, the City's contribution towards medical premiums for the term of the contract shall be a maximum up to the following contributions for any plan:

Employee:	\$592.37
Employee plus One:	\$1,184.75
Employee plus Family:	\$1,575.71

During the term of the MOU, the parties agree to participate with the other bargaining units to determine whether or not any medical plan design changes would assist in reduction of costs to the City and/or reduction of premiums for employees. The parties recognize that any such changes in plan design require agreement by all City bargaining units.

For fiscal year 2011-2012 the parties agree to the following cost sharing approach to premium increases in 2011 and 2012 only. Specifically, the City will share evenly any amount that exceeds the current FY 2010-2011 Kaiser contribution levels, up to a capped maximum City contribution amount of \$29.63/month for single, \$59.25 for employee +1, and \$79.49 for employee + family.

In order to allow employees in Health Net time to transition to the City's new capped contribution to any plan, the City will continue the existing City dollar contributions for Health Net participants in effect on September 30, 2010, until June 30, 2011 only. At that time this extra contribution shall expire and the City's contribution for all participants shall be as described above.

The City shall contribute the full premium required by the providers of the dental and vision care plans provided herein for the term of this Memorandum of Understanding. The City shall allow employees who have dual coverage on their health plan to receive the equivalent amount of the single contribution rate as describe above; this amount is to be added to the employee's paycheck.

23.2 NEW Additional Medical Contribution and Plan Design Changes

Effective July 1, 2011, a pre-tax deduction equivalent to the anticipated reduction of costs for this unit to move from a zero co pay plan to a \$15.00 co-pay plan. Once the medical plan change is implemented this pay deduction will be eliminated.

SECTION 24. RETIREMENT

The City shall continue in effect its contract with the Public Employees' Retirement System (PERS) for the term of this Memorandum of Understanding.

24.1 Effective January 1, 1986 the City's contract with the Public Employees' Retirement System (PERS) was amended to provide for credit for unused sick leave, as provided for in Government Code Section 20965.

24.2 The City has amended its contract with the Public Employees' Retirement System [PERS] to include the retirement benefit option of 3% @ 50 in accordance with Government Code § 21362.3. This benefit shall become effective the first of the month following the final amendment process and approval by PERS. The City and the BFA understand that this contract amendment would be prospective only from the effective date of the PERS contract amendment.

24.3 The City implemented the Fourth Tier of the 59 Survivor Benefit with CalPERS upon amendment of the PERS contract.

24.4 As soon as administratively possible, the parties agree to amend the City's contract with Public Employees Retirement System (PERS) to implement a second tier retirement benefit option of 3% at 55 and average three year compensation formula in accordance with Government Code Section 21362.3 for new hires hired on or after January 1, 2011 or hired upon effective date of the contract amendment consistent with CalPERS requirement. The employees in the second tier shall pay the entire employee share (9%) of retirement cost.

24.5 NEW Additional Employee Pick up of Employers Share of Retirement

Effective July 1, 2011, Employee's shall contribute an additional 4% of Persable compensation through a post-tax payroll reduction. Upon request and agreement by all

other Benicia Fire Safety group, the City will apply for a Section 20516 PERS contract amendment that allows employees to pay the additional 4% of Persable compensation costs towards the employer's share of retirement on a pre-tax basis. Since CalPERS requires agreement by election of all fire safety employees in order to implement this amendment all other Benicia fire safety groups would need to be in agreement.

