

RESOLUTION NO. 12-XXX, SERIES 2012

**RESOLUTION ADOPTING A MEMORANDUM OF UNDERSTANDING
WITH
INDIVIDUAL MANAGEMENT EMPLOYEES
(EXCEPT CITY MANAGER, AND DEPARTMENT HEADS, EXECUTIVE MANAGERS)**

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

WHEREAS, under the terms of that policy the City Manager and his representatives and the individual management employees have met and conferred in good faith; and

WHEREAS, the City Council of the City of Davis previously passed and adopted Resolution No. 10-003, Series 2010. A Resolution Adopting Memorandum of Understanding with Individual Management Employees (Except City Manager, and Department Heads), on January 12, 2012; and,

WHEREAS, in accordance with Section 17 of said Memorandum, the City Manager and his representatives and the individual management employees have reached agreement in regards to a successor agreement; and,

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

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

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Davis that the terms and conditions contained in said Memorandum of Understanding are hereby adopted, subject to ratification by individual management employees.

PASSED AND ADOPTED by the City Council of the City of Davis on this 18th day of December, 2012 by the following vote:

AYES:

NOES:

ABSENT:

Joseph Krovoza
Mayor

Attest:

Zoe S. Mirabile, CMC
City Clerk

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

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

The parties have met and conferred in good faith regarding employment terms and conditions of the EMPLOYEES, and having reached agreement on changes to be made in employment benefits and conditions for a period commencing July 1, 2012, and ending December 31, 2015, as hereinafter set forth, shall submit this AGREEMENT to the City Council with the joint recommendation that the Council resolve to adopt its terms and conditions and take such other and/or additional action as may be necessary to implement its provisions.

SECTION 1. EMPLOYEE GROUP

The following positions will be considered part of the GENERAL MANAGEMENT GROUP:

Accountant
Administrative Services Manager - Police
Administrative Analyst I/II
Assistant to the Director
Asset Manager
Community Services Superintendent
Economic Development Coordinator
Facilities Manager
Financial Analyst I/II
Fleet Manager
Housing and Human Services Program Superintendent
Human Resources Analyst I/II
MIS Administrative Manager
MIS Project Manager
Parks Manager
Planner
Principal Civil Engineer
Principal Planner
Project Manager
Property Management Coordinator
Public Relations Manager I/II
Senior Civil Engineer
Sustainability Programs Coordinator
Technical Services Manager
Transportation Planner
Urban Forest Manager
Utilities Manager
WWTP Superintendent

EMPLOYEES holding positions included within the GENERAL MANAGEMENT GROUP will have property rights in their employment and may only be terminated or disciplined for cause.

The City Manager reserves the right to determine whether new management positions will be added to the GENERAL MANAGEMENT GROUP as they are created.

SECTION 2. COMPENSATION

A. SALARY

CITY and EMPLOYEES agree the following shall be the base salary increase percentages for the term of this AGREEMENT:

1. Effective January 1, 2013, EMPLOYEES will receive a three (3%) salary increase.
2. Effective January 1, 2014, EMPLOYEES will receive a two percent (2%) salary increase.
3. Effective January 1, 2015, EMPLOYEES will receive a one percent (1%) salary increase.

B. FISCAL EMERGENCY

In the event the CITY declares a state of general fiscal emergency by formal Resolution, EMPLOYEES and CITY agree to reopen this section for further consideration in light of the declared fiscal emergency.

SECTION 3. BENEFITS

A. §125 FLEXIBLE BENEFIT PLAN

In accordance with “The City of Davis Flexible Benefits Plan” adopted November 21, 2006, the CITY provides a 125 Flexible Benefit Plan (“The Plan”). The regular and intended effect of the Plan, under current law, is to enable EMPLOYEES to choose between (a) the receipt of benefits which may not be subject to either State or Federal income tax or (b) a cash benefit which is subject to tax, but is not included in the EMPLOYEE’S hourly rate. The details of Plan eligibility and operational requirements are set forth in the Plan documents.

1. Once enrolled in a cafeteria distribution plan, EMPLOYEES will only be permitted to modify the plan on the same basis as changes are permitted in health and dental insurance plans, that is, during open enrollment periods and when the EMPLOYEE’S dependent status changes.
2. The CITY shall make a monthly contribution as set forth below to each eligible member of the unit to be used toward the § 125 Flexible Benefit Plan. These funds shall only be used for qualified benefits as provided for in IRC § 125. Excess benefit dollars shall be added to each EMPLOYEE’S taxable earnings subject to the limitations set forth in Section B below.
 - a. All EMPLOYEES must enroll in one of the PERS health program plans unless they submit to the CITY proof of other health coverage as referenced below in the information section.
 - b. EMPLOYEES who fail to complete this requirement will be enrolled in the lowest cost health insurance policy the CITY offers through CalPERS.

3. EMPLOYEES who meet the requirement shall be allowed to utilize their § 125 Flexible Benefit Plan contributions for any of the other qualified benefits as provided for in IRC § 125.
4. The term “eligible employee” for this section includes:
 - a. Regular full-time employees as defined in the Personnel Rules.
 - b. Regular part-time employees as defined in the Personnel Rules. Regular part-time employees would receive prorated benefits based on the percentage of full-time equivalency. For example a regular employee budgeted at 30 hours per week will receive 75% of cafeteria benefit.

B. CITY § 125 BENEFIT CONTRIBUTION AND CASH IN LIEU

1. The following provision applies to EMPLOYEES hired prior to January 25, 2010. CITY will make available to each covered EMPLOYEE a monthly amount for health and dental benefits, as specified in Section C of this AGREEMENT. If the EMPLOYEE has outside health/dental coverage, such as through a spouse, domestic partner, or other acceptable alternate health coverage, the EMPLOYEE can take the unused portion of the amount allocated for the benefit as cash in lieu of receiving any or all of the actual benefit. The amount of cash in lieu available for the covered EMPLOYEE is capped at \$1,483.08 per month and the amount allotted for health and dental premiums is the only CITY contribution that can be taken as cash in lieu. For example, if an EMPLOYEE elects a health/dental benefit of \$613.42 then the maximum cash out amount would be \$869.66.
 - a. Effective January 1, 2013, the maximum amount of cash in lieu that an employee may receive is \$1,200 per month.
 - b. Effective January 1, 2014, the maximum amount of cash in lieu that an employee may receive is \$1,000 per month.
 - c. Effective January 1, 2015, the maximum amount of cash in lieu that an employee may receive is \$750 per month.
 - d. Effective December 31, 2015, the maximum amount of cash in lieu that an employee may receive is \$500 per month.
2. The following provision applies to EMPLOYEES hired on or after January 25, 2010. A lower “cash out” cap applies. If the EMPLOYEE uses any portion of the health and/or dental insurance benefit, then the difference between the actual premium paid on behalf of the EMPLOYEE and \$500 can be cashed-out each month, provided a proper election has been made. If the EMPLOYEE has outside health/dental insurance coverage, such as through a spouse, domestic partner or alternative plan, the EMPLOYEE can cash-out a maximum of \$500 per month, provided a proper election has been made. For example, if an EMPLOYEE elects a health or dental benefit of \$150 then the maximum cash out amount would be \$350. If an EMPLOYEE elects benefits over the \$500 maximum amount, then the EMPLOYEE would receive no cash out benefit.

3. Any and all “cash outs” will be treated as taxable earnings.

C. HEALTH BENEFITS CONTRIBUTION

Beginning December 1, 2012, and each month thereafter, the CITY will contribute \$1561.55 towards the monthly health care premium for EMPLOYEES. Effective December 1, each following year, when health care premium increases take effect, the CITY will contribute up to the first three percent (3%) of any increases in health premiums (set from the actual health care premium rate of Kaiser-Bay Area Employee +2 plan). EMPLOYEE will contribute up to the next additional three percent (3%) of health premium increases for the benefit year. Any increase in the premium above six percent (6%) will be shared equally (50/50 cost sharing) between CITY and EMPLOYEE. The EMPLOYEE must pay the difference between the CITY’s allotted portion and the actual premium.

D. DENTAL BENEFITS CONTRIBUTION

For the term of this AGREEMENT, CITY shall continue to contribute towards each EMPLOYEES cafeteria benefit plan the total monthly premium for the CITY’S self-funded dental plan for employee with two or more dependents. CITY will continue to include unmarried dependents through age 22.

E. LIFE INSURANCE & LONG-TERM DISABILITY BENEFIT

Participation in the life insurance and long term disability insurance is mandatory and these premiums may not be taken as cash in lieu.

The CITY will make available to each covered EMPLOYEE a monthly amount equal to the sum of the following life and long term disability insurance benefit payments.

- a. Effective July 1, 2012, and continuing for the term of this AGREEMENT, CITY shall contribute towards each EMPLOYEE’s cafeteria benefit plan the amount to purchase a \$100,000 policy. Purchase of this policy is mandatory.
 - a. This policy will carry an accidental death and dismemberment (AD&D) rider. The AD&D rider provides a benefit of up to \$100,000 subject to the terms and conditions of the policy.
- b. The CITY shall provide long term disability (LTD) insurance coverage for all EMPLOYEES. Effective January 1, 2012, and continuing for the term of this AGREEMENT, CITY shall contribute towards each EMPLOYEE’s cafeteria benefit plan the amount to purchase the Long Term Disability Benefit provided in City of Davis Self-Insured Long Term Disability Plan. Purchase of this policy is mandatory.
 - a. Current Benefits
Up to 66 2/3% of the monthly salary. Payments to be paid during the disability until age 65. See City of Davis Self-Insured Long Term Disability Plan passed and adopted by City Council on December 5, 2001.

b. Waiting Period

Benefits shall begin 30 calendar days after occurrence.

F. OPTIONAL BENEFITS

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

1. SUPPLEMENTAL LIFE

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

2. FLEXIBLE SPENDING ACCOUNTS

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

- a. Uncovered Health Care Expenses up to \$3,000
- b. Dependent Care Expenses up to \$5,000

3. VISION CARE

City shall continue to make vision care coverage available to EMPLOYEES, at no cost to the CITY.

G. INFORMATION

Amounts will be made available to the EMPLOYEE to pay premiums for enrollment of the EMPLOYEE and their dependents in CITY sponsored health and dental insurance programs of the EMPLOYEE's choice. Enrollment of the employee and their dependents in CITY sponsored health programs is mandatory unless proof of acceptable current alternate coverage is presented. Subject to the caps as stated above, any amount in excess of the premiums required for the health and dental insurance coverage selected by the EMPLOYEE will be added to the EMPLOYEE'S gross pay prior to income tax withholding and paid with bi-weekly paychecks.

H. MEDICAL BENEFIT PREMIUMS FOR RETIREES

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

1. EMPLOYEES who retire from the City on or before December 31, 2015, will receive the following retiree medical benefit. “Retire” includes both service and disability retirement.
 - a. EMPLOYEES hired before July 1, 1996- City shall continue to contribute to eligible retirees an amount equal to 100% of the premium for the group health insurance plan available from Kaiser-Bay Area for retired EMPLOYEES and two or more dependents sponsored by the CITY through CalPERS.
 - b. EMPLOYEES hired on or after July 1, 1996- City shall continue to contribute to eligible retirees an amount equal to 50% of the premium for the group health insurance plan available from Kaiser-Bay Area for retired EMPLOYEES and two or more dependents sponsored by the CITY through CalPERS until age 60. After age 60, EMPLOYEE will receive a retiree medical benefit based on 100% of the CalPERS Kaiser Bay Area rate for employee plus two or more dependents.
2. EMPLOYEES hired before July 1, 1996, who retire after December 31, 2015, but on or before December 31, 2025, will receive the following retiree medical benefit.
 - a. EMPLOYEES who retire with at least 25 years of City service or as a result of disability- City shall contribute to eligible retirees an amount equal to 100% of the premium for the group health insurance plan available from Kaiser-Bay Area for retired EMPLOYEES and two or more dependents sponsored by the CITY through CalPERS. Once the employee has transferred to a Medicare plan, the City will pay the Medicare Supplemented/ Managed Medicare monthly rate based on the CalPERS Kaiser Bay Area rate for employee plus two or more dependents.
 - b. EMPLOYEES who retire with less than 25 years of City service- City shall contribute to eligible retirees an amount equal to 75% of the premium for the group health insurance plan available from Kaiser-Bay Area for retired EMPLOYEES and two or more dependents sponsored by the CITY through CalPERS. Once the employee has transferred to a Medicare plan, the City will pay the Medicare Supplemented/ Managed Medicare monthly rate based on the CalPERS Kaiser Bay Area rate for employee plus two or more dependents.
3. EMPLOYEES hired on or after July 1, 1996, but before December 31, 2012, who retire after December 31, 2015, but on or before December 31, 2025, will receive the following retiree medical benefit.
 - a. EMPLOYEES who retire with at least 25 years of City service or as a result of disability- City shall contribute to eligible retirees an amount equal to 50% of the premium for the group health insurance plan available from Kaiser-Bay Area for

- retired EMPLOYEES and two or more dependents sponsored by the CITY through CalPERS until age 60. After age 60, EMPLOYEE will receive a retiree medical benefit based on 100% of the CalPERS Kaiser Bay Area rate for employee plus two or more dependents. Once the employee has transferred to a Medicare plan, the City will pay the Medicare Supplemented/Managed Medicare monthly rate based on the CalPERS Kaiser Bay Area rate for employee plus two or more dependents.
- b. EMPLOYEES who retire with less than 25 years of City service- City shall contribute to eligible retirees an amount equal to 50% of the premium for the group health insurance plan available from Kaiser-Bay Area for retired EMPLOYEES and two or more dependents sponsored by the CITY through CalPERS until age 60. After age 60, EMPLOYEE will receive a retiree medical benefit based on 75% of the CalPERS Kaiser Bay Area rate for employee plus two or more dependents. Once the employee has transferred to a Medicare plan, the City will pay the Medicare Supplemented/Managed Medicare monthly rate based on the CalPERS Kaiser Bay Area rate for employee plus two or more dependents.
4. EMPLOYEES hired before July 1, 1996, who retire after December 31, 2025, will receive the following retiree medical benefit.
 - a. City shall contribute to eligible retirees an amount equal to 75% of the premium for the group health insurance plan available from Kaiser-Bay Area for retired EMPLOYEES and two or more dependents sponsored by the CITY through CalPERS. Once the employee has transferred to a Medicare plan, the City will pay the Medicare Supplemented/Managed Medicare monthly rate based on the CalPERS Kaiser Bay Area rate for employee plus two or more dependents.
 5. EMPLOYEES hired on or after July 1, 1996, but before December 31, 2012, who retire after December 31, 2025, will receive the following retiree medical benefit.
 - a. City shall contribute to eligible retirees an amount equal to 50% of the premium for the group health insurance plan available from Kaiser-Bay Area for retired EMPLOYEES and two or more dependents sponsored by the CITY through CalPERS until age 60. After age 60, EMPLOYEE will receive a retiree medical benefit based on 100% of the CalPERS Kaiser Bay Area rate for employee plus two or more dependents. Once the employee has transferred to a Medicare plan, the City will pay the Medicare Supplemented/Managed Medicare Monthly rate based on the CalPERS Kaiser Bay Area rate for employee plus two or more dependents.

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

I. DENTAL BENEFITS FOR RETIREES

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

SECTION 4. PERS RETIREMENT SYSTEM

A. MISCELLANEOUS EMPLOYEE RETIREMENT

1. The following provision applies to EMPLOYEES hired into city service on or before December 31, 2012.

The CITY shall continue providing EMPLOYEES with the CalPERS “2.5% at 55” local retirement plan. Upon ratification of the MOU, the current 3% employee pick-up of the employer share shall be moved to the employee portion (3% total employee share). EMPLOYEES shall contribute three percent (3%) towards the employee’s portion for a total of six percent (6%) towards the employee’s CalPERS contribution.

Effective January 1, 2013, through December 31, 2013, EMPLOYEES shall contribute a total of seven percent (7%) towards the employee’s CalPERS contribution.

Effective January 1, 2014, EMPLOYEES shall contribute a total of eight percent (8%) towards the employee’s CalPERS contribution.

a. EPMC

The CITY agrees to continue to implement Government Code Section 20636(c) (4), Employer Paid Member Contribution for all EMPLOYEES. The CITY agrees to report the employer paid employee PERS contribution as additional compensation to PERS. EPMC will no longer apply after January 1, 2014, when EMPLOYEES will be paying the entire employee portion for their PERS amount.

b. IRC 414(h)(2)

The CITY will structure the salary and required employee pension contributions to maximize compensation reported to CalPERS and to take advantage of the federal Internal Review Code 414(h)(2) and related CalPERS Board rulings.

2. The following provision applies to EMPLOYEES hired into city service on or after January 1, 2013.

The CITY shall continue providing EMPLOYEES with the applicable CalPERS local retirement plan. The CITY will continue to structure the salary and required employee pension contributions to maximize compensation reported to CalPERS and to take advantage of the federal Internal Revenue Code 414(h)(2) and related CalPERS Board rulings. EMPLOYEES shall contribute eight percent (8%) towards the employee's CalPERS contribution.

B. Sick Leave Credit

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

C. 1959 Survivor Benefits

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

SECTION 5. DEFERRED COMPENSATION.

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

SECTION 6. LEAVES AND ATTENDANCE.

CITY agrees EMPLOYEES will earn the following paid leave time as specified:

- A. Vacation Leave. The purpose of an annual vacation leave is to enable each employee to have a period of time to use as they desire, to rest and relax, and to return to their work mentally refreshed.
1. For any given contract year under this AGREEMENT, an individual EMPLOYEE may decline to accept up to 40 hours of vacation accrual, by written request to the City Manager.
 2. Employees are able to cash-out up to forty (40) hours of vacation as long as: (1) the employee has at least fifteen (15) years of service with the CITY, and (2) the employee has a minimum of one (1) year of accrued vacation on the books.

3. EMPLOYEES shall earn vacation leave during each calendar year according to the following schedule, unless they have declined to accept the vacation accrual, as provided in this section:

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

4. The number of days earned per year shall be prorated and accrued on a bi-weekly basis. EMPLOYEES shall not vest vacation leave until it is actually accrued.
 5. The times during a calendar year at which an EMPLOYEE may take their vacation shall be determined by the department head and the City Manager with due regard for the wishes of the EMPLOYEE, and with particular regard for the needs of the service. If the requirements of the service are such that an EMPLOYEE cannot take part or all of their annual vacation in a particular calendar year, such vacation shall be taken during the following calendar year.
 6. Any EMPLOYEE, with the consent of the department head and the City Manager, may defer as many working days of their annual vacation as they accumulate during a given year to the succeeding calendar year.
 7. In the event one or more municipal holidays occur within an annual vacation leave, such holidays shall not be charged as vacation leave, but shall be charged as holiday leave.
 8. EMPLOYEES who terminate employment shall be paid in a lump sum for all accrued, unused vacation leave earned prior to the effective date of termination.
- B. Management Leave. The purpose of management leave is to partially compensate each EMPLOYEE for the extra time that such EMPLOYEE is required to devote to CITY business outside of normal duty hours. EMPLOYEES receive no other compensation for the extra time that they devote to CITY business and, as such, are entitled to management leave with pay.

1. EMPLOYEES shall be credited with ten (10) working days (i.e., eighty (80) hours) of management leave each calendar year, which shall be prorated and accrued on a bi-weekly basis.
 2. The EMPLOYEE shall not vest management leave time until it is actually accrued.
 3. EMPLOYEES are encouraged to take all of their management leave off with pay. However, EMPLOYEES are entitled to three (3) options with respect to the manner in which they use this leave:
 - a. Take their accumulated time off with pay.
 - b. Receive a cash payment for fifty (50) percent of the management leave accrued in one (1) year, and take the remaining balance of their accumulated time off with pay.
 - c. Receive a cash payment for a hundred (100) percent of the management leave accrued in one year.
 4. Any EMPLOYEE, with the consent of the department head and the City Manager, may defer as many working days of their annual management leave as they accumulate during any given year to the succeeding calendar year.
 5. The policy statements contained in this exhibit regarding the time during the calendar year at which an EMPLOYEE may take their vacation leave, the effect of holidays on this leave, and payment for this leave upon termination of employment, shall also apply to management leave.
- C. Sick Leave. Sick leave with pay shall be granted to all EMPLOYEES. Sick leave shall not be considered as a right which an EMPLOYEE may use at their discretion, but shall be allowed only in case of necessity and actual personal sickness or disability.
1. In order to receive compensation while absent or on sick leave, the EMPLOYEE shall notify their immediate superior or the City Manager prior to or within four (4) hours after the time set for beginning their daily duties, or as may be specified by the head of their department.
 2. When absence is for more than one (1) work day, the EMPLOYEE may be required to file a physician's certificate or personal affidavit with the City Manager, stating cause of the absence.
 3. For purposes of computing sick leave, a work day shall be considered as one-fifth (1/5) of the number of working or duty hours in the established work week for each EMPLOYEE. Sick leave shall be earned at the rate of one (1) work day for each calendar month of service. Unused sick leave may be accumulated.

4. EMPLOYEES may take any or all of their accrued sick leave in cases where an EMPLOYEE's presence is required elsewhere because of the sickness or disability of a member of the EMPLOYEE's immediate family. The immediate family shall consist of the spouse, children, parents, brothers, sisters, or other individuals whose relationship to the EMPLOYEE is that of a dependent or near dependent.
5. When an EMPLOYEE is rendered incapable of performing their work or duties by injuries received or illness arising in the course of their employment by CITY, and such injury or illness is determined to come within the provisions of the Workers' Compensation Act, the City Manager may grant the EMPLOYEE leave, with an amount of pay equal to the difference between their CITY pay and the workers' compensation, if any, received by the EMPLOYEE during such incapacity, but not to exceed one (1) year for any one period of such incapacity. Leave granted an EMPLOYEE under the above provisions shall not be considered sick leave or deducted from accumulated sick leave as provided in this section.

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

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

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

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

G. Attendance. EMPLOYEES shall be in attendance at their work in accordance with the rules regarding hours of work, holidays, and leaves. Failure on the part of an EMPLOYEE, absent

without leave, to return to duty within twenty-four (24) hours after notice to return shall be cause for immediate discharge

- H. The CITY and the EMPLOYEES agree to continue meeting on the possibility of a 9/80 schedule.

SECTION 7. HOLIDAYS.

A. EMPLOYEES will get paid holidays off as follows:

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

SECTION 8. UNIFORM REPLACEMENT & CLEANING ALLOWANCE.

CITY agrees to pay the uniform replacement and the uniform cleaning allowing, equal to that allowed by the Davis Police Officers Association MOU, to the Administrative Services Manager assigned to police, and any other Police management employee who may be required to wear a

uniform during the performance of their duties. The uniform replacement and the uniform cleaning allowing will be paid on the schedule adopted by the Davis Police Officers Association.

SECTION 9. YEAR END VOLUNTARY TIME OFF.

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

SECTION 10. PARENTAL LEAVE.

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

SECTION 11. LAYOFFS

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

SECTION 12. DIRECT DEPOSIT.

CITY shall continue to offer Direct Deposit service to those EMPLOYEES who request it.

SECTION 13. DEPENDENT CARE PLAN.

CITY shall continue to implement the existing Dependent Care Plan.

SECTION 14. OTHER TERMS AND CONDITIONS.

Should the miscellaneous employees of any other represented employee group or association under successor agreements to those agreements that are or were expired as of July 1, 2012, accept fewer economic concessions and/or receive new and better economic provisions than

those provided to EMPLOYEES under this agreement, EMPLOYEES shall have the right to receive the equivalent economic benefit(s) provided to the miscellaneous employees of the other employee group or association on a prospective basis. In addition to voluntary agreements, this provision applies should any other represented employee group or association not agree to the same concessions or the City imposes fewer economic concessions on them as a result of impasse.

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

CITY and EMPLOYEES agree that meet and confer sessions pertaining to a successor AGREEMENT shall be commenced as soon as possible after the request of either party made after July 1, 2015, with the mutual intent of ratifying such AGREEMENT prior to December 31, 2015.

SECTION 15. COVENANT OF GOOD FAITH AND FAIR DEALING.

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

SECTION 16. COPIES OF AGREEMENT.

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

SECTION 17. TERM

The term of this Memorandum of Understanding shall be July 1, 2012, and shall remain in effect to, and including, December 31, 2015.

SECTION 18. EFFECTIVE DATE OF CHANGES.

There are no retroactive economic provisions associated with this AGREEMENT. Except as otherwise specified, this agreement is effective July 1, 2012, however all economic and benefit changes will take place after adoption of this AGREEMENT or as specified in the AGREEMENT

DATED: _____

EMPLOYEE RELATIONS OFFICER OF THE
CITY OF DAVIS

By: _____
Steve Pinkerton

Brian Abbanat

Pamela Day

Robert Bowen

Jacques Debra

Anne Brunette

Daniel Doolan

Robert Cain

Susan Errington

Cathy Camacho

Danielle Foster

Bradley Gonzalez

Michael Goodison

Stanley Gryczko

Juli Hawthorne

Christine Helweg

James Ivler

Jacqueline Jaskowiak

Dianna Jensen

Michael Lindquist

David Luckscheider

Michael Mitchell

Roxanne Namazi

Ike Njoku

Diane Phillips

Paul Sears

Bradley Von Striver

Samantha Wallace

Stacey Winton

Robert Wolcott

Sarah Worley