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EXHIBIT D

MEMORANDUM OF UNDERSTANDING

CITY OF STOCKTON FIRE UNIT

TERM OF AGREEMENT JULY 1, 2003 – JUNE 30, 2011

(As amended, approved and adopted by Stockton City Council on December 16, 2008)

CITY OF STOCKTON

FIRE UNIT

MEMORANDUM OF UNDERSTANDING

The Stockton Firefighters' Local 456, International Association of Firefighters and representatives of the City of Stockton have met and conferred in good faith regarding wages, hours, and other terms and conditions of employment for employees in the representation unit identified in Section 1 of this Memorandum of Understanding, have exchanged freely information, opinions, and proposals, and have endeavored to reach agreement on all matters relating to the employment conditions and employer-employee relations of such employees.

This Memorandum of Understanding is entered into pursuant to the Meyers-Milias-Brown Act (Government Code sections 3500-3511) and has been jointly prepared by the parties.

This Memorandum of Understanding shall be presented to the Stockton City Council as the joint recommendations of the undersigned regarding wages, hours, and other terms and conditions of employment for the period commencing July 1, 2003, and ending on June 30, 2010. This Memorandum of Understanding reflects and incorporates an extension to the original term of July 1, 2003 through December 15, 2007. This agreement shall supercede all other existing agreements on the matters set forth herein.

(As amended, approved and adopted by Stockton City Council on December 11, 2007)

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

TABLE OF CONTENTS

	<u>Page</u>
<u>Section 1. Recognition</u>	1
1.1 City Recognition.....	1
1.2 Union Recognition.....	1
<u>Section 2. Union Security</u>	2
2.1 Dues Deduction	2
a. General	2
b. Indemnity and Refund.....	3
2.2 Use of City Facilities	3
2.3 Advance Notice.....	3
2.4 Attendance at Meetings by Employees.....	4
<u>Section 3. Compliance With Laws</u>	5
3.1 Non-Discrimination/Equal Employment.....	5
3.2 City Charter.	5
<u>Section 4. Probation</u>	6
4.1 Purpose	6
4.2 Original Entrance Positions.....	6
4.3 Retention/Rejection of Probationer	6
4.4 Promotional Positions	6
<u>Section 5. Layoff</u>	7
5.1 Layoff Scope	7
5.2 Notice of Layoff.....	7
5.3 Precedence by Employment Status.....	7-8
5.4 Employee Options	8
<u>Section 6. Reemployment</u>	9
<u>Section 7. Discipline</u>	10
<u>Section 8. Grievance Procedures</u>	11
8.1 Definition.....	11
8.2 Filing Deadline	11
8.3 Grievance Processing.....	11-12
a. Step 1 - Departmental Review	11
b. Step 2 - Director of Human Resources Review.....	11
c. Step 3 - City Manager Review.....	11-12

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

d. Step 4 – Arbitration 12
 e. Effect of Decision 12
 8.4 Scope of Arbitration 12
 8.5 Other Provisions 12-13

Section 9. Leaves 14

9.1 Vacation Leave 14
 a. Accrued Vacation Allowance 14
 b. Longevity Vacation Allowance 14
 (1) Four (4) years through seven (7) years 14
 (2) Eight (8) years through thirteen (13) years 14
 (3) Fourteen (14) years through twenty-one (21) years 14
 (4) Twenty-two (22) years 14
 (5) After twenty-two (22) years 14
 (6) Accrual 14
 c. Scheduling 15-16
 (1) 48/96 Work Schedule 15
 (2) Discontinued 48/96 Work Schedule 15-16
 d. Carryover 16
 e. Vacation Allowance for Separated Employees 16
 9.2 Sick Leave 17
 a. Accrual 17
 b. Usage 17
 c. Family Sick Leave 17
 d. Procedures for Requesting and Approving Sick Leave 18
 e. Doctor's Certificate or Other Proof 18
 f. Use of Sick Leave While on Vacation 18
 g. Accessibility and Reporting 18
 h. Return to Duty 19
 i. Payment for Unused Sick Leave 19
 9.3 Other Leaves With Pay 19-21
 a. Bereavement Leave 19
 b. Court Appearance 19-20
 c. Maternity Leave 20
 d. Military Leave 20-21
 9.4 Workers' Compensation Leave 21-22
 a. Notification to Department 21
 b. Accessibility and Reporting 21
 c. Return to Duty 22
 9.5 Leave of Absence 22
 9.6 Leave of Absence Without Pay 22-23
 a. Purpose and Length 22-23
 b. Application for and Approval of Leaves of Absence Without Pay .. 23
 9.7 Absence Without Official Leave (AWOL) 23

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

a.	Denial of Leave Request or Failure to Return After Leave	23
b.	Voluntary Resignation	23
Section 10. Days and Hours of Work		24
10.1	Workweek	24
10.2	Shift Trades	24
10.3	Staffing Policy	24-27
Section 11. Overtime		28
11.1	Definition	28
11.2	Compensatory Time	28
a.	Definition	28
b.	Use	28
c.	Department Policy	28
11.3	Fair Labor Standards Act	28-31
a.	Work Out of Classification	29
b.	Training Time	29
c.	Rank for Rank Relief	29
d.	Continuing Education for Paramedics	30
e.	Calculation of Overtime Pay for Fire Suppression Personnel ..	30-31
Section 12. Holidays		32
Section 13. Compensation and Allowances Other Than Base Salary		33
13.1	Public Employee Retirement System Benefits	33
a.	Retirement Contribution Supplement	33
b.	Military Service Credit	33
c.	Employee Contributions	33
d.	Three Percent At Age 50 Retirement Benefits	33
e.	Additional PERS Benefits	33-34
13.2	Certificate Incentive Pay	34
13.3	Educational Incentive Pay	34
13.4	HAZ/MAT Assignment	34
13.5	Paramedic Certification	34-35
13.6	Deferred Compensation	35
13.7	Uniform Allowance	35
13.8	Contagious Disease	35
13.9	Special Assignment Pay	35
13.10	Acting Pay	35
13.11	Call-Back Pay	35-36
13.12	Tiller Pay	36
13.13	Deputy Fire Marshal Series	36

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

13.14	Fire/Engineer Operator	36
13.15	Administrative Captain	36
13.16	Other Administrative Positions	36-37
13.17	Longevity Incentive Pay	37
13.18	Severance Pay Deferral	37
<u>Section 14. Insurance Plans</u>		38
14.1	Health Insurance and Related Benefits	38
14.2	Retirement Medical Allowance	38-39
a.	Normal Service Retirement	39
b.	Disability Retirement	39
c.	Prescription Coverage	39
d.	Medical Plan	39
14.3	Medicare Supplemental Coverage Requirements	39
14.4	Long Term Disability Insurance	39-40
14.5	Term Life Insurance	40
<u>Section 15. Salary Plan</u>		41
15.1	Salary Ranges	41
15.2	Salary Upon Appointment	41
15.3	Salary Equivalents	41
15.4	Salary Step Plan	41-43
15.5	Salary Step After Military Leave	43
15.6	Salary Step When Salary Range is Increased	43
15.7	Salary Step After Promotion or Demotion	43
15.8	Salary on Reinstatement	43
15.9	Salary Adjustments	43
a.	Annual Cost of Living Adjustment	43
(1)	Consumer Price Index Adjustment	43-44
(2)	Consumer Price Index Adjustment	43-44
(3)	Salary Survey Adjustment	44-46
15.10	Multiple Pay Raises	46-47
<u>Section 16. Sevarability of Provisions</u>		48
<u>Section 17. Practices and Existing Memoranda of Understanding</u>		48
<u>Section 18. Scope of Agreement</u>		48
<u>Section 19. Duration of Agreement</u>		49
<u>Section 20. Maintenance of Operations</u>		49

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Signatures

50

Appendix A – (page 50-55)

Article XVI, section 1607 of the Charter of the City of Stockton
Impartial and Binding Arbitration for Fire Department Employees Disputes

Appendix B – (page 56)

City of Stockton Modified Employee Medical Plan Benefit Recap

Appendix C – (page 57)

Phase II Vacation Scheduling Agreement

Appendix D – (page 58-62)

Consolidated Letter of Understanding
Stockton Fire Department ("SFD") Ambulance Transportation Implementation

Appendix E (page 64-65)

Letter of Agreement
Wellness-Fitness Program

SECTION 1. RECOGNITION

1.1 City Recognition

The City Manager, or any person or organization duly authorized by the City Manager, is the representative of the City of Stockton, hereafter referred to as the "City," in employer-employee relations as provided in Resolution No. 32,538, adopted by the City Council on August 4, 1975.

1.2 Union Recognition

The Stockton Firefighters' Local 456 (formerly Local 1229), International Association of Firefighters, hereafter referred to as the "Union," is the recognized employee organization for the Firefighters' Unit, certified pursuant to Resolution No. 32,548, adopted by the City Council on August 11, 1975.

SECTION 2. UNION SECURITY

2.1 Dues Deduction

- a. General. The Union may have the regular dues of its members within the representation unit deducted from employees' paychecks under procedures prescribed by the City for such deductions. The Union has the exclusive privilege of dues deduction for its members.

Payroll deductions shall be for a specified amount, consistent for all employee-members of the Union, and shall not include fines and fees.

Authorization, cancellation, or modification of payroll deductions shall be made upon forms provided or approved by the City. The payroll deduction authorized shall remain in effect until:

- (1) Canceled or modified by the employee through written notice to the City; or
- (2) The first day of the calendar month following the employee's transfer to a position represented by another employee organization; or
- (3) The employee terminates his or her employment with the City.

Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Union as the person authorized to receive such funds, at the address specified.

In addition to the deduction of dues, the City will deduct from the paychecks of Union members who request it, premiums for group insurance and investment plans sponsored by the Union. Such deductions shall be made in one lump sum and only upon receipt of a signed authorization from the employee on a form that is satisfactory to the City. Such authorizations may be made or changed no more frequently than twice yearly.

The employee's earnings must be sufficient after all other required deductions are made, to cover the amount of the deductions herein authorized. When an employee is in a non-pay status for an entire pay period, no withholdings will be made from future earnings to cover that pay period nor will the employee deposit the amount with the City which would have been withheld if the employee had been in a pay status during that period. In the case of an employee who is in a non-pay status during part of the pay period and the salary is not sufficient to cover the full withholding, no deduction shall be made. All other required deductions shall have priority over the employee organization deduction.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 3

- b. Indemnity and Refund. The Union shall indemnify, defend, and hold the City harmless against any claim made or any suit initiated against the City in connection with or as a result of any employee-authorized deduction and/or payment of Union dues or premiums for benefits. In addition, upon presentation of supporting evidence, the Union shall refund to the City any amounts paid to it in error.

2.2 Use of City Facilities

The Union shall be allowed by the City department in which it represents employees use of space on available bulletin boards for communications having to do with official Union business, such as times and places of meetings, provided such use does not interfere with the needs of the department.

Any representative of the Union shall give notice to the Fire Chief or the Fire Chief's designated representative when contacting Department employees on City facilities during the duty period of the employees, provided that solicitation for membership or other internal Union business shall be conducted during the non-duty hours of all employees concerned. Prearrangement for routine contact may be made with the Fire Chief or the Fire Chief's designated representative and when made shall continue until revoked by the Fire Chief.

City buildings and other facilities may be made available for use by City employees and the Union or their representatives in accordance with such administrative procedures as may be established by the City Manager or department heads concerned.

Members of the Union are prohibited from using City equipment and/or time for their personal use.

2.3 Advance Notice

Except in cases of emergency, the Union shall be given reasonable advance written notice of the proposed change to any ordinance, resolution, rule, or regulation to be adopted by the City that relates to matters within the scope of representation and shall be given the opportunity to negotiate, if requested, with the management representatives designated by the City Manager.

In cases of emergency which constitute an imminent threat to the City's financial and/or other resources, the City may immediately implement any emergency measures the City deems necessary to prevent the public business and/or the City's operations from being financially or otherwise impaired and deal with the emergency at hand. At the earliest practicable date thereafter, the Union shall be provided with the notice described above and be given an opportunity, if requested, to negotiate changes to the content of said notice with the management representatives designated by the City Manager.

2.4 Attendance At Meetings By Employees

City employees who are official representatives or unit representatives of the Union shall be given reasonable time off with pay to attend meetings with City management representatives or be present at City hearings where matters within the scope of representation or grievances are being considered. The use of official time for this purpose shall be reasonable and shall not interfere, as determined by the City, with the performance of City services. Such employee representatives shall request an excused absence, prior to the scheduled meeting, whenever possible. Except by mutual agreement, the number of employees excused for such purposes shall not exceed three (3) per recognized bargaining unit.

Effective July 1, 2003, the City shall allocate to the Union five hundred (500) hours each calendar year for the purpose of a Union Time Bank. This time off shall be used by Union representatives for matters not already covered in section 2.4 (a) above. The maximum number of hours for the Union Time Bank that shall be allowed on the books at any one time is one thousand (1000) hours. The use of the Union Time Bank shall be reasonable, as determined jointly by the Union President and Fire Chief. Such employee representatives requesting Union time off shall request prior to the scheduled time off.

SECTION 3. COMPLIANCE WITH LAWS

3.1 Non-Discrimination/Equal Employment

The City and the Union agree that there shall be no discrimination of any kind on the basis of race, creed, color, religion, national origin, sex, sexual orientation, disability, age, political affiliation, legitimate Union activity, or on any other basis prohibited by applicable federal and State law against any employee or applicant for employment.

In addition, the Union shall cooperate with the City, to the extent authorized by federal and State laws and regulations, in furthering the City's objective of promoting equal employment opportunities.

3.2 City Charter

The City of Stockton Charter, Article XVI, Section 1607 is attached as Appendix "A" as reference.

SECTION 4. PROBATION

4.1 Purpose

The probationary period shall be utilized for closely observing the employee's work, for securing the most effective adjustment of the employee to his/her position, and for eliminating any probationary employee whose performance does not meet the required standards of work.

4.2 Original Entrance Positions

All original entrance sworn positions shall be tentative and subject to a probationary period of eighteen (18) months. The probationary period for entrance sworn positions shall not be extended.

4.3 Retention/Rejection of Probationer

The Director of Human Resources shall notify the appointing authority at least four (4) weeks prior to the termination of any probationary period. At the end of the probationary period, if the service of the probationary employee has been satisfactory to the appointing authority, the appointing authority shall file with the Director of Human Resources a statement in writing to such effect and stating that the retention of such employee is desired. During the probationary period an employee may be rejected at any time by the appointing authority.

4.4 Promotional Positions

Promotional appointments in the Fire Department are permanent appointments not subject to a probationary period.

SECTION 5. LAYOFF

Any employee may be laid off by the appointing authority in the event of the abolition of his/her position by the City Council or if a shortage of work or funds requires a reduction in personnel. The appointing authority shall have the power to determine, after consideration of work requirements and the efficiency and conduct of individual employees and their length of service, the order in which employees shall be laid off.

5.1 Layoff Scope

- a. Layoffs shall be within departments of the City.
- b. The departments of the City are defined as follows:
 - (1) Administrative Services Department
 - (2) City Attorney
 - (3) City Auditor
 - (4) City Clerk
 - (5) City Manager
 - (6) Community Development Department
 - (7) Fire Department
 - (8) Housing and Redevelopment Department
 - (9) Human Resources Department
 - (10) Library Services Department
 - (11) Municipal Utilities Department
 - (12) Parks and Recreation Department
 - (13) Police Department
 - (14) Public Works Department

5.2 Notice Of Layoff

The City will give advance written notice of at least one (1) pay period to employees who will be laid off.

5.3 Precedence By Employment Status

No permanent employee shall be laid off while employees working in an extra help, seasonal, temporary, provisional, or probationary status are retained in the same classification as such permanent employee. The order of layoff among employees not having permanent status shall be according to the following categories, as listed in ascending order:

- a. Extra Help
- b. Provisional
- c. Temporary
- d. Probationary

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 8

Layoffs shall be by job classification according to the length of time served in that class with the employee having the least amount of time served in the class to be laid off first. For the purpose of this procedure, part-time classes shall be considered as separate from and shall be laid off prior to regular full-time classes. The following provisions shall apply in computing total continuous service:

- a. Time spent on military leave shall count as service if the leave was taken subsequent to entry in the Department.
- b. Time worked in an extra help, seasonal, provisional, temporary, grant, or other limited term status shall not count as service for any other class.
- c. Time worked in a permanent or probationary status shall count as service time.

If two (2) or more employees have the same seniority, the order of seniority shall be determined by lot.

5.4 Employee Options

Employees laid off shall have the following choices:

- a. Displacing the employee in the same department and in the same or clearly comparable classification as determined by the Director of Human Resources as having the least (total service) seniority. This option shall be exercised before any other option.
- b. Taking a voluntary demotion within the department to a classification in which the employee had prior permanent status, thus displacing the employee working in that classification who has the least (total service) seniority.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 9

SECTION 6. REEMPLOYMENT

When an employee in the classified service who has been performing his/her duties in a satisfactory manner, as shown by the records of the department in which he/she has been employed, is laid off because of lack of funds or abolition of his/her position or has been on authorized leave of absence is ready to report for duty when a position is open, the Civil Service Commission shall cause the name of such employee to be placed on the reemployment list for the appropriate class for reemployment within two (2) years thereafter when vacancies occur. The employee shall not be placed on said list or lists without his/her request.

The order in which names shall be placed on the reemployment list for any class shall be established by resolution from time to time by the Civil Service Commission. The Civil Service Commission shall determine this order by impartial investigation based upon consideration of work requirements, the efficiency and conduct of the individual employees, their length of service, and recommendation by the appointing authority and the Fire Chief.

In filling vacancies, eligibles on reemployment lists take precedence over eligibles on any other lists for the same rank in the department for which the lists apply.

SECTION 7. DISCIPLINE

Disciplinary action, including discharge, suspension, reduction in pay, demotion, or other employment penalty may be taken against any employee for cause.

The appointing authority may discharge, suspend, or demote any employee in the classified service provided the City Charter provisions, the Rules and Regulations of the Civil Service Commission, and any applicable provisions of law are followed. Such provisions allow the employee suspended, demoted, or discharged to file an appeal to the Civil Service Commission. The employee may take any one (1) of the following actions:

- a. File no appeal.
- b. File an appeal with the Civil Service Commission within ten (10) business days of receipt of written notification of the action. Such filing will foreclose the use of the grievance procedure.
- c. File a grievance as provided for in Section 8.2, below, within ten (10) business days of receipt of written notification of the action.

If the employee fails to do "b" or "c," above, within the prescribed time frames, those rights will have been waived.

SECTION 8. GRIEVANCE PROCEDURES**8.1 Definition**

A grievance is any dispute which involves the interpretation or application of those rules, regulations, and resolutions which have been, or may hereafter be, adopted by the City Council to govern personnel practices and working conditions, including such rules, regulations, and resolutions as may be adopted by either the City Council or the Civil Service Commission to affect Memoranda of Understanding which result from the meeting and conferring process.

8.2 Filing Deadline

No grievance involving demotion, suspension, discharge, or other employment penalty will be entertained unless it is filed in writing with the Director of Human Resources within ten (10) business days of the time the affected employee received written notification of such action.

For purposes of filing appeals and grievances, the City of Stockton's business hours are Monday through Friday, 8:00 a.m. to 5:00 p.m., excluding City-recognized holidays.

8.3 Grievance Processing

- a. Step 1 - Departmental Review. Any employee who believes that he/she has a grievance may discuss the matter with such management official as the Fire Chief may designate. If the issue is not resolved by the Department within seven (7) working days from the day of presentation, or if the employee elects to submit his/her grievance directly to the Union's recognized representative, the procedures set forth in Step 2, below, may be invoked.
- b. Step 2 - Director of Human Resources Review. Any employee or any official of the Union may notify the Director of Human Resources in writing that a grievance exists, stating the particulars of the grievance and, if possible, the nature of the determination desired. The Director of Human Resources shall have fourteen (14) working days in which to investigate the issues, meet with the complainant, and attempt to reach a satisfactory resolution of the problem. No grievance may be processed under the following two (2) paragraphs which has not first been filed and investigated in accordance with this paragraph, except for the resolution of compensation complaints.
- c. Step 3 - City Manager Review. Any grievance that has not been resolved by the procedures set forth above may be referred to the City Manager by the complainant or by the Director of Human Resources. Such referral shall be in writing, detailing the specific issues involved in the referral together with a

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 12

statement of the resolution desired. The City Manager shall designate a personal representative, who shall not be the Director of Human Resources, to investigate the merits of the complaint, to meet with the complainant, and, if the complainant is not the Union, to meet also with the officials of the Union to settle the grievance or to make recommendations to the City Manager.

- d. Step 4 - Arbitration. If the grievance is not resolved at Step 3, either the Union or the City may require that the grievance 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 of 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 preparation and post hearing briefs, if any.
- e. Effect of Decision. Decisions of arbitrators on matters properly before them shall be final and binding on the parties, except as otherwise provided herein.

8.4 Scope of Arbitration

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 paragraph 8.1, above.

Proposals to add to or change this Memorandum of Understanding or written agreements 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. The arbitrator selected pursuant to this section shall not 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.

No changes in this Memorandum of Understanding or interpretations thereof (except interpretations resulting from arbitration proceedings hereunder) will be recognized unless agreed to by the City Manager and the Union.

8.5 Other Provisions

If the Director of Human Resources or the City Manager, in pursuance of the procedures outlined above, resolve a grievance which involves suspension or discharge, they may agree to payment for lost time or to reinstatement with or without payment for lost time, but in the event the dispute is referred to arbitration and the arbitrator finds that the City had cause to take the action complained of, the arbitrator may not substitute his/her judgment for the judgment of management and

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 13

if the arbitrator finds that the City had such right, he/she may not order reinstatement and may not assess any penalty upon the City.

All complaints involving or concerning the payment of compensation shall be initially filed in writing with the City Manager. Only complaints that allege the employee is not being compensated in accordance with the provisions of this 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 open for such decision. No adjustment shall be retroactive for more than sixty (60) days from the date upon which the complaint was filed.

The provisions of this section shall not abridge any rights to which an employee may be entitled under the City Charter, nor shall it be administered in a manner that would abrogate any power which, under the City Charter, may be within the sole province and discretion of the Civil Service Commission.

All grievances of employees in representation units represented by the Union shall be processed under this section. If the City Charter requires that another option be available to the employee, no action under paragraph "d" of subsection 8.3, above, shall be taken unless it is determined that the employee is not availing himself/herself of such option.

No action under paragraph "d" of subsection 8.3, above, shall be taken if action on the complaint or grievance has been taken by the Civil Service Commission, or if the complaint or grievance is pending before the Civil Service Commission.

If any award by an arbitrator requires action by the City Council or the Civil Service Commission before it can be placed in effect, the City Manager and the Director of Human Resources will recommend to the City Council or the Civil Service Commission, as appropriate, that it follow such award.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 14

SECTION 9. LEAVES**9.1 Vacation Leave**

- a. Accrued Vacation Allowance. All regular employees, excluding provisional, temporary, and part-time employees, shall accrue nine (9) shifts (18 days) of vacation leave per year.

Employees shall accrue vacation on a twice-monthly basis.

- b. Longevity Vacation Allowance. All regular employees, excluding provisional, temporary, and part-time employees, shall accrue longevity leave in accordance with the following schedule:

- (1) Upon four (4) years through seven (7) years of continuous employment, seven and one-half (7-1/2) shifts (15-days), either time or pay.
- (2) Upon eight (8) years through thirteen (13) years of continuous employment, nine (9) shifts (18-days), either time or pay.
- (3) Upon fourteen (14) years through twenty-one (21) years of continuous employment, eleven and one-half (11-1/2) shifts (23-days), either time or pay.
- (4) Upon twenty-two (22) years of continuous employment, fourteen (14) shifts (28 days), either time or pay. This benefit is a one-time credit and shall occur only in the twenty-second year.
- (5) After twenty-two (22) years of continuous employment, an employee shall no longer receive the Longevity Vacation Allowances established in subsections 9.1. b. (1) through 9.1. b. (4), above. Instead, such employees shall receive one (1) additional day of vacation leave allowance per year for each additional year of service after twenty-two (22) or more continuous years of employment.
- (6) Accrual. The Longevity Vacation Allowance provided in this section shall be credited to an employee's leave balance upon the commencement of the calendar year in which the employee's anniversary date triggering the allowance occurs. Longevity Vacation Allowance is earned on a prorated basis.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 15

c. Scheduling.(1) 48/96 Shift Schedule

The 48/96 Shift Schedule for line fire suppression employees shall continue indefinitely with the contingency that the Fire Chief shall retain the ability to discontinue, change or otherwise alter the work schedule consistent with his/her management responsibility to control and direct all Stockton Fire Department's members and divisions. The following provisions shall apply, as long as the 48/96 Shift Schedule remains in effect:

- (a) A minimum of four (4) shifts of Accrued Vacation must be scheduled per year. The four (4) shift minimum is not required to be scheduled continuously and may be split into two (2) separate vacation periods of a minimum of two (2) consecutive shifts each. Longevity Vacation is not required to be scheduled and may be taken by an employee in either time or pay.
- (b) Any Accrued Vacation that is not scheduled contiguous with the required four (4) shifts will be scheduled by mutual agreement of the employee and the Fire Chief.
- (c) Employees with twenty-two (22) years of continuous employment will be permitted to exercise their Accrued Vacation Allowance in Section 9.1. a. and the Longevity Vacation Allowance in Section 9.1 b. (5) of this Memorandum of Understanding on a flexible basis (i.e., four (4) shifts must be scheduled, and the remaining shifts are unscheduled, to be taken by the employee in either time or pay).
- (d) Sell-back. Employees may sell back all unused Accrued Vacation and Longevity Vacation per year.

(2) Discontinuance of 48/96 Shift Schedule

If, at any time, the Fire Chief decides to discontinue the 48/96 Shift Schedule, the following provisions shall apply and be implemented through a method of attrition to insure that no member has been negatively impacted:

- (a) A minimum of two and one-half (2-1/2) consecutive shifts of Accrued Vacation must be scheduled per year. Longevity Vacation is not required to be scheduled and may be taken by an employee in either time or pay.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 16

- (b) Any Accrued Vacation that is not scheduled contiguous with the required two and one-half (2-1/2) consecutive shifts will be scheduled by mutual agreement of the employee and the Fire Chief.
- (c) Employees with twenty-two (22) years of continuous employment will be permitted to exercise their Accrued Vacation Allowance in Section 9.1. a. and the Longevity Vacation Allowance in Section 9.1. b. (5) of this Memorandum of Understanding on a flexible basis (i.e., two and one-half (2-1/2) shifts must be scheduled, and the remaining shifts are unscheduled, to be taken by the employee in either time or pay).
- (d) Sell-back. Employees may sell back all but two and one-half (2-1/2) shifts of Accrued Vacation per year. Employees may sell back all of their Longevity Vacation.

d. Carryover.

- (1) Employees shall be entitled to carryover unused vacation benefits to a maximum at any time of twenty (20) days (10 shifts) in addition to the individual employee's current annual vacation benefit.

It is understood that employees must take all accrued vacation and longevity vacation before a request for leave of absence will be granted.

- (2) The use of carryover time must be scheduled in advance. If carryover time is not utilized in the carryover year, it will be paid. See Appendix "C" for the Phase II Vacation Scheduling Agreement.

e. Vacation Allowance for Separated Employees. When an employee is separated from service, his/her earned, but unused vacation allowance, if any, shall be added to his/her final compensation.

In the event an employee separates from service after having been credited with Longevity Vacation Allowance credit, but prior to earning the credits or any portion thereof, such credit will be reduced to reflect the actual term of employment. When appropriate, the City may deduct from the employee's final compensation an amount equal to cover the cost of reimbursing the City for any used but unearned leave credit, whether taken in time or pay. In the event the employee's final compensation is not adequate to cover the amount of reimbursement owed the City, the amount of the deficiency shall be considered a debt for which the City is entitled to payment. For the

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)**Page 17**

purpose of proration pursuant to this provision, any month will be considered one-twelfth (1/12) of a year.

An employee who has resigned in good standing and is subsequently reinstated within one (1) year from the date of his/her resignation shall have his/her prior service counted in determining eligibility for accrued vacation and longevity benefits, deducting therefrom the amount of time between the date of resignation and the date of reinstatement, which shall not be counted in determining eligibility. For the limited purpose of defining continuous service under this section of the Memorandum of Understanding, "continuous service" shall include leaves without pay for less than one (1) year, as long as the employee did not withdraw the employee's contributions to the Public Employees' Retirement System.

9.2 Sick Leave

- a. Accrual. All regular employees, except provisional, temporary, and part-time employees, shall accrue sick leave at the rate of fifteen (15) hours for each full month of service. All regular employees, except provisional, temporary, and part-time employees, working less than a full month shall accrue sick leave on a prorated basis. Unused sick leave shall accumulate from year to year. Employees shall continue to accrue sick leave while off duty on authorized sick leave, provided, however, an employee shall not accrue sick leave during any leave or leaves of absence without pay granted to the employee.
- b. Usage. Employees are entitled to sick leave pay for those days that the employee would normally have worked, to a maximum of sick leave hours accrued by the employee.

An employee may use sick leave for preventive medical, dental, optical care, and for illness, injury, or exposure to contagious disease, which incapacitates him/her from performing his/her duties. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, and childbirth and recovery therefrom.

- c. Family Sick Leave. Employees may utilize sick leave in the case of illness or injury in the employee's immediate family when such illness or injury requires personal care. Such sick leave shall be limited by the Fire Chief to the time reasonably required to make other arrangements for such care.

Such leave shall be restricted to the employee's parents, spouse, domestic partner, mother-in-law, father-in-law, child, stepchild, brother, sister, brother-in-law, sister-in-law, grandparent, and grandchild.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 18

- d. Procedures for Requesting and Approving Sick Leave. The employee shall notify the Chief's Operator, or if unavailable, the shift Telecommunications Supervisor at the Emergency Communications Division (ECD) at the earliest reasonable time, but not later than 0645 hours of the day scheduled for duty. When the requirement for sick leave is known to the employee in advance of his/her absence, the employee shall request in writing authorization for such sick leave from the Fire Chief prior to such absence.

Before an employee may be paid for the use of accrued sick leave, he/she shall complete and submit to the Fire Chief a signed statement, on a prescribed form, setting forth the dates and hours of absence, the exact reason, and such other information as is necessary for his/her request to be evaluated. If an employee does not return to work prior to the preparation of the payroll, other arrangements may be made with the approval of the Fire Chief.

- e. Doctor's Certificate or Other Proof. If an employee's illness results in an absence from work for more than two (2) consecutive shifts, a doctor's certificate or other reasonable proof of illness may be required by the Fire Chief.

The Fire Chief and the Director of Human Resources may make such sick leave usage reviews and may require such physician's documentation as they deem necessary to insure proper use of the sick leave benefit.

- f. Use of Sick Leave While on Vacation. An employee who is injured or who becomes ill while on vacation may be paid for sick leave in lieu of vacation provided that the employee:

- (1) Was hospitalized during the period for which sick leave is claimed, or
- (2) Received medical treatment or diagnosis and presents a statement indicating disabling illness or injury signed by a physician covering the period for which sick leave is claimed.

- g. Accessibility and Reporting. All officers and members of the Department on leave for sickness shall be available by telephone or at their home for consultation with the Fire Chief or the Fire Chief's designee. Exceptions to this rule shall only be made with the permission of the attending physician and Fire Chief.

All officers and members of the Department on leave for sickness for extended periods of time will make weekly progress reports by telephone to the Fire Chief's office.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 19

- h. Return to Duty. Upon availability for return to duty, the employee shall notify the Chief's Operator, or, if unavailable, the shift Telecommunications Supervisor at the ECD at the earliest reasonable time, but not later than 6:00 p.m. on the day prior to his/her next scheduled duty period. Sick leave may be granted for any period of time approved by the Fire Chief.
- i. Payment for Unused Sick Leave. Upon separation with ten (10) years or more of service or upon termination of employment by reason of death or service or disability retirement, the employee or the employee's estate will be paid fifty percent (50%) of the total unused sick leave at its current value.

9.3 Other Leaves With Pay

- a. Bereavement Leave. In the event of a death in the immediate family of an employee, the employee shall, upon his/her request, be granted up to three (3) days bereavement leave with pay and without charge to his/her accumulated sick leave credits or vacation eligibility. The City Manager may grant an additional two (2) days bereavement leave upon request, which shall be charged against the employee's accumulated sick leave credits in cases where extensive travel is required to attend the funeral. For the purposes of this paragraph, "immediate family" shall be restricted to the employee's parents, spouse, mother-in-law, father-in-law, child, stepchild, brother, sister, brother-in-law, sister-in-law, grandparent, and grandchild.

In the event of the death of a person not immediately related to an employee, as defined above, the employee's department head may grant up to three (3) days leave upon request, which shall be charged against the employee's accumulated sick leave credits.

- b. Court Appearance. Upon approval by the Fire Chief, an employee, other than a provisional or temporary employee, shall be permitted authorized absence from duty for appearance in court for jury service, in obedience to a subpoena, or by direction of proper authority in accordance with the following provisions:

Such absences from duty will be with full pay for each day the employee serves on the jury or testifies as a witness in a criminal case, other than as a defendant, including necessary travel time. As a condition of receiving such full pay, the employee must remit to the City, within fifteen (15) days after receipt, all fees received, except those specifically allowed for mileage and expenses. The employee shall remit such fees to the City through the employee's department head.

Attendance at court or at a deposition while in an on-duty status in connection with an employee's official duties or on behalf of the City in

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 20

connection with a case in which the City is a party, together with travel time necessarily involved, shall be considered and paid as hours worked.

Other absences from duty for attendance at court or at depositions shall be without pay.

On-duty employees shall return to work immediately upon release from court.

Attendance at court or at a deposition while in an off-duty status in connection with an employee's official duties or on behalf of the City in connection with a case in which the City is a party, together with travel time, where such travel is to a location outside of San Joaquin County, shall be considered and paid as hours worked.

For the purpose of computing any travel time to be reimbursed by the City in accordance with this section for attendance at court or at a deposition while in an off-duty status, such travel time shall be deemed to commence from the San Joaquin County Courthouse.

- c. Maternity Leave. Time off the job for pregnancy, childbirth, and related medical conditions will be covered as required by State and federal law and applicable City policy. Employees may use sick leave, leave without pay, annual leave, or a combination of these benefits, depending on the nature of the case and the time medically required to recuperate. Generally, a six (6) week recovery period after delivery is medically indicated.
- d. Military Leave. An employee of the City who is a member of the National Guard or Naval Militia or a member of the Reserve Corps or Force of the Federal Military, Naval, or Marine Service and is ordered to duty shall be granted leave with pay while engaged therein, provided the leave does not exceed thirty (30) calendar days in any calendar year.

All regular employees in the service of the City who have been inducted into the Army, Navy, Marine Corps, Air Force, or any other branch of the Military Service of the United States or the State of California shall be allowed leave of absence without pay for the duration of a national emergency. Except as hereafter stated, said employees shall be reinstated into City service, provided they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

In the case of a probationary employee having served his/her minimum probationary period of eighteen (18) months at the time of induction, it shall be optional with the Fire Chief and the City Manager to grant regular status to said employee before induction.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 21

All probationary employees inducted into Military Service not having served the minimum probationary period of eighteen (18) months or having served the minimum probationary period of eighteen (18) months but not having received regular status shall be allowed leave of absence without pay for the duration of a national emergency. Following such leave, said employees shall be placed at the head of the eligible list for such position in the order of their seniority of employment and when appointed to a vacant position, they must be physically fit, as above specified, and shall serve the balance of their probationary period before attaining regular status.

Two (2) or more regular employees granted military leave of absence without pay from the same position shall be reemployed according to their seniority of employment, provided they are physically fit, as above specified.

9.4 Workers' Compensation Leave

Whenever an employee is disabled, whether temporarily or permanently, by injury or illness arising out of and in the course of his/her duties, he/she shall become entitled, regardless of his/her period of service with the City, to leave of absence, while so disabled, without loss of salary, in lieu of temporary disability payment, if any, which would be payable for the period of such disability but not exceeding one (1) year or until such earlier date as he/she is retired on permanent disability pension.

If injury is claimed to be job-related or a recurrence of a previous job-related sickness or injury, it must be verified with a written physician's statement. Otherwise, disability leave will not be allowed. Any absence not so approved will be charged to sick leave if verification is not received within three (3) days of the initial absence. The company officer should originate a "Supervisor's Report of Accident" form (Form 78).

- a. Notification to Department. The employee should notify the Chief's Operator or, if unavailable, the shift Telecommunications Supervisor at the ECD at the earliest reasonable time, but not later than 0645 hours of the day scheduled for duty.
- b. Accessibility and Reporting. All officers and members of the Department on leave for injury (job-related or non-job-related) shall be available at their homes or by telephone for consultation with the Fire Chief or the Fire Chief's designee(s). Exceptions to this rule shall only be made with the permission of the attending physician and the Fire Chief.

All officers and members of the Department on leave for injury (job-related or non-job-related) for extended periods of time will make weekly progress reports by telephone to the Fire Chief's office.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 22

- c. Return to Duty. Upon availability for return to duty, employees shall notify the Chief's Operator, or if unavailable, the shift Telecommunications Supervisor at the ECD at the earliest reasonable time, but not later than 6:00 p.m. on the day prior to his/her next scheduled duty period.

9.5 Leave of Absence

Employees shall not be entitled to leaves of absence as a matter of right, but only in accordance with the provisions of law and the Stockton Municipal Code. Unless otherwise provided, the granting of a leave of absence also grants to the employee the right to return to a position in the same classification or equivalent classification as the employee held at the time the leave was granted. The granting of any leave of absence shall be based on the presumption that the employee intends to return to work upon the expiration of the leave.

All approval authority over leaves of absence exercised by the Fire Chief under this section shall be subject to review by the City Manager, whose ruling shall be final.

Employees on authorized leaves of absence without pay shall not be entitled to payment by the City of the premiums for their health and dental insurance, except as provided hereafter.

The entitlement to City-paid premiums shall end on the last day of the month in which the employee was paid except that employees on an authorized leave of absence may continue enrollment in the City health and dental insurance plans by prepayment of the monthly premium during the authorized leave of absence.

Authorized absence without pay that exceeds thirty (30) consecutive calendar days, except military leave, shall not be included in determining salary adjustment rights, based on length of employment. Periods of time during which an employee is required to be absent from his/her position by reason of an injury or disease for which he/she is entitled to and currently receiving Workers' Compensation benefits shall be included in computing length of service for the purpose of determining that employee's salary adjustments.

9.6 Leave of Absence Without Pay

- a. Purpose and Length. Only employees occupying regular positions on a permanent basis are eligible for leaves of absence without pay under the provisions of the section.

An appointing authority may grant leaves of absence without pay for personal reasons up to a maximum of twelve (12) months with the approval of the Director of Human Resources.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 23

Leaves of absence without pay on account of illness or injury, which are not job incurred, may be granted for a maximum period of twelve (12) months with the approval of the Director of Human Resources. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, and childbirth and recovery therefrom.

Such a leave will be granted only after all accrued sick leave credits have been used and shall be substantiated by a physician's statement.

- b. Application For and Approval of Leaves of Absence Without Pay. In order to receive leave without pay, an employee must submit a request on the prescribed form to the Fire Chief and the City Manager. The request shall set forth the reasons for the request and all other information required for the Fire Chief of the Fire Chief's representative to evaluate the request. Leaves without pay may be canceled by the Fire Department at any time.

9.7 Absence Without Official Leave (AWOL)

- a. Denial of Leave Request or Failure to Return After Leave. Failure to report for duty or failure to report for duty after a leave of absence request has been disapproved, revoked, or canceled by the Department or City Manager or at the expiration of a leave shall be considered an absence without leave.
- b. Voluntary Resignation. Any employee in this bargaining unit absent without leave for two (2) or more shifts in any calendar month without a satisfactory explanation shall be deemed to have voluntarily resigned from employment with the City.

SECTION 10. DAYS AND HOURS OF WORK**10.1 Workweek**

The regularly scheduled workweek for each member of the Fire Unit assigned to fire suppression duties shall average fifty-six (56) hours over a twelve (12) week period. The regularly scheduled workweek for each member of the Fire Unit assigned to work in the Department's administrative offices, the Fire Prevention Bureau, or the Division of Training shall be forty (40) hours. (For purpose of compliance with the Fair Labor Standards Act, a work period of 204 hours in a twenty-seven (27) day cycle has been declared by the Fire Chief for suppression personnel.) Other work periods may be declared by the Fire Chief for some or all members of the Fire Unit when dictated by operational requirements of the Fire Department.

All working shifts will commence at 8:00 a.m., with the exception of the employees assigned to work in the Fire Administration Office, Fire Prevention Bureau employees, and Division of Training employees, whose hours shall be determined by the Fire Chief.

10.2 Shift Trades

Fire Unit employees will be allowed to trade shifts. Shift trade privileges shall be determined and administered by the Fire Chief or the Fire Chief's designee in accordance with Article J, Section 2 of the Fire Department Procedures Manual, which provides for Fire Unit employees to have up to a maximum of nine (9) uncompleted shift trades at any one time and that the period during which shifts are to be traded and paid back shall not exceed twelve (12) months.

10.3 Staffing Policy

Except for extraordinary circumstances, the Stockton Fire Department will maintain constant and minimum staffing as follows:

- a. Engine Companies: A minimum complement of one (1) Fire Captain, one (1) Engineer, and two (2) Firefighters.
- b. At least two (2) of the employees assigned for duty to an engine company that is a paramedic engine company shall be certified paramedics ninety percent (90%) of the time.
- c. Truck Companies: A minimum complement of one (1) Fire Captain, one (1) Engineer, and three (3) Firefighters.

Truck Company Seven: A minimum complement of one (1) Fire Captain, one (1) Engineer, and two (2) Firefighters. Effective July 1, 2008, the staffing for

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 25

Truck Company Seven shall be a minimum complement of one (1) Fire Captain, one (1) Engineer, and three (3) Firefighters.

- d. Ambulance Companies: A minimum complement of one (1) Paramedic and one (1) EMT. This shall be the minimum staffing level for a transportation unit.
- e. EMS Shift Captain: A minimum complement of one (1) Paramedic Captain per shift assigned as the EMS Shift Captain and compensated an additional differential of five percent (5.0%) of top step Captain/Paramedic base pay. Effective July 1, 2005, this EMS Shift Captain and one (1) Firefighter position will be assigned to staff a support unit. This shall be the minimum staffing for the support unit per shift.

Effective the opening date of Truck Company Seven, the support unit will close. The positions allocated for staffing the support unit shall be used as part of the staffing of Truck Company Seven. The EMS Shift Captain pay differential of five percent (5.0%) of top base step Captain/Paramedic shall discontinue upon the opening date of Truck Company Seven.

If the Stockton Fire Department should return to the ambulance transportation business, a new EMS Shift Captain position shall be created and staffed on a constant basis. The EMS Shift Captain pay differential of five percent (5.0%) of top base step Captain/Paramedic shall commence at that time.

- f. The fire suppression-staffing minimum will be reduced from sixty-four (64) to sixty-three (63) positions per shift. The Captain position formerly assigned to SP2 will be assigned to the Fire Department Office in an administrative role as determined by the Fire Chief. This position will augment the eight (8) existing Administrative Captain positions within the Department.
- g. Effective January 1, 2003, the fire suppression-staffing minimum will be increased from sixty-three (63) positions per shift to sixty-four (64) positions per shift. This increase reflects the addition of the EMS Shift Captain (EMS-2).
- h. Effective July 1, 2005, the fire suppression-staffing minimum will be seventy-two (72). This reflects the staffing of thirteen (13) engine companies, three (3) truck companies, one (1) two-person support unit, two (2) Battalion Chiefs, and a Chief's Operator.
- i. Effective May 1, 2006, the fire suppression-staffing minimum will be seventy-four (74). This reflects the staffing of thirteen (13) engine companies, four (4) truck companies, two (2) Battalion Chiefs and a Chief's Operator.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 26

- j. Effective July 1, 2008, the fire suppression-staffing minimum will be seventy-five (75). This reflects the staffing of thirteen (13) engine companies, four (4) truck companies, two (2) Battalion Chiefs and a Chief's Operator.
- k. Three (3) of the eleven (11) Administrative Captain positions shall be filled with either a Captain or a Chief Officer provided that any Chief Officer filling a position will not be used to backfill the Battalion Chief vacancies during the normal forty (40) hours workweek – Monday through Friday, 0800-1700 hours (non-holiday). At no time shall the total number of Administrative Captain positions fall below the eleven (11) protected/represented positions; however, one of the three (3) optional positions established by this section may be filled with an unrepresented Chief Officer through July 1, 2010.

Discontinuance of the 48/96 Shift Schedule: If, at any time, the Fire Chief decides to discontinue the 48/96 Shift Schedule, the following provision shall apply and be implemented through a method of attrition to insure that no member is negatively impacted: Two (2) of the three (3) altered/upgraded Administrative Captain positions shall be filled by Administrative Captains only. One of the Administrative Captain positions may be filled by a represented or unrepresented Chief Officer until July 10, 2010. Beyond that date, the filling of Administrative Captain positions with Chief Officers will no longer be allowed. At no time shall the total number of Administrative Captain positions fall below the eleven (11) protected/represented Captains.

The four (4) sworn Administrative Chief Officer positions, other than the Fire Chief, will be staffed on a constant basis, except when the persons occupying such positions are on leave time. In addition, with the exception of the Chief Officers, persons occupying such positions will not be used to fill line positions during their normal forty (40)-hour workweek. However, the Administrative Captain positions may fill temporary vacancies in fire suppression while waiting for an eligibility list to be established, in the event one does not exist. Administrative Captains may not be used to draw down the relief pool or to backfill on a day-to-day basis, except in extraordinary circumstances.

- l. The Department will continue staffing two (2) twenty-four (24) hour Battalion Chief positions on each shift.

Except for short-term absences, normally less than four (4) hours, or under circumstances as described in Section 10.3 of the Fire Services Management Memorandum of Understanding, the Department will make every effort to maintain the above levels by filling in from the relief pool, or if the relief pool has been exhausted, by callbacks. Callbacks will be done in accordance with Department policies in existence at the time of issuance of the policy.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 27

- m. The City and Union agree that the Letter of Understanding ("LOU") Appendix "D" entitled CONSOLIDATED LETTER OF UNDERSTANDING SFD AMBULANCE TRANSPORTATION dated July 2005 shall be made part of and attached to this Memorandum of Understanding ("MOU") and shall be in force until December 15, 2007.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 28

SECTION 11. OVERTIME**11.1 Definition**

- a. For the purpose of determining whether an employee is to be paid at the rate of time and one-half (1-1/2) for hours worked in excess of 216 hours in a twenty-seven (27) day work period, hours worked shall include all paid time as well as all time worked.
- b. For Fire Prevention Bureau employees and Division of Training employees, overtime shall be paid at the rate of time and one-half (1-1/2) for all hours in excess of forty (40) hours in a seven (7) day work period for which they are in a paid status because of the performance of work and/or the use of paid leave.

11.2 Compensatory Time

- a. Definition. As used in this section, the term Compensatory Time refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or in excess of their normal work schedule.
- b. Use. Such compensatory time must be taken during the same twenty-seven (27) day work period in which it is earned and will be credited on an hour off for hour worked basis. The accrual of compensatory time and the date upon which such time will be taken must be authorized by the Fire Chief or the Fire Chief's designated representative prior to both the performance of the hours worked and the compensatory absence from duty. In the event the employee determines that he/she is unable to take accrued compensatory time during the same twenty-seven (27) day work period in which it is earned, pay for such time shall be provided at straight time or time and one-half (1-1/2) depending upon the number of hours worked by the employee during the work period.
- c. Department Policy. Compensatory time for sworn 40-hour personnel shall be provided in accordance with the Department's Policy and Procedures, Article J, Section 3B.

11.3 Fair Labor Standards Act

The City and the Union shall cooperate with each other to promptly resolve any issue that may arise during the term of this Memorandum of Understanding regarding compliance with the Fair Labor Standards Act. Any dispute involving the interpretation or application of the Fair Labor Standards Act may be referred to the City Manager by the complaining party or by the Director of Human Resources. Such referral shall be in writing, detailing the specific issue(s) involved in the referral together with a statement of the resolution desired. The City Manager shall

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 29

designate a personal representative who shall not be the Director of Human Resources to investigate the merits of the dispute, meet with the complaining party, and attempt to settle the dispute. The availability of this procedure shall not be deemed to limit or foreclose the rights of an employee to seek relief in such other forums as the law provides.

The interpretation and application of the Fair Labor Standards Act with regard to the following provisions: Work Out of Classification, Training Time, Rank for Rank Relief, Continuing Education for Paramedics, and Calculation of Overtime Pay for Fire Suppression Personnel, shall be administered in accordance with the Letter of Understanding dated May 5, 1986, between the City and the Union, which states:

This is to set forth certain agreements and understandings between the Union and City, through their designated representatives, as to the interpretation and application of the Fair Labor Standards Act with regard to the employees in the Fire Unit. The provisions set forth in this section shall be binding on the parties and shall remain in effect for the duration of the existing Memorandum of Understanding.

- a. Work Out of Classification. Employees assigned to work overtime in a position or classification other than the position or classification to which they are permanently appointed will be paid overtime at the hourly rate attached to the position or classification in which they are performing such overtime work. Individual premium pay to which an employee is regularly entitled shall be included when computing overtime for work performed in a position or classification to which the employee does not hold a permanent appointment.
- b. Training Time. The time spent by an employee for job-related training in which participation is required as a condition of employment shall be considered as hours worked. Said training time shall be viewed as hours worked in lieu of the employee's normally scheduled shifts for that period. Employees shall participate in such training programs during their normally scheduled hours of work when provided by the City during those hours, unless there is a particular hardship or schedule conflict which precludes the employee's attendance, in which event approval to obtain such training during off-duty hours must be requested and obtained in advance from the Fire Chief or the Fire Chief's designated representative.

For example, a Firefighter who would normally work Tuesday and Friday (48 hours), but is sent to Asilomar for the period from Monday through Friday will be credited as though he/she has worked his/her normal shifts.

- c. Rank for Rank Relief. In providing relief, Fire Unit employees may work in a rank lower than the rank which they currently hold, but may not provide relief by working in a rank above their current rank, except in extraordinary circumstances.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 30

- d. Continuing Education for Paramedics. The City will compensate members of the Fire Unit at their straight time rate for time spent in continuing education necessary to maintain their certification, up to a maximum of forty-four (44) hours per calendar year.
- e. Calculation of Overtime Pay for Fire Suppression Personnel. For purposes of computing overtime for Fire Unit employees pursuant to the Fair Labor Standards Act, the City will comply with Section 778.109 of the Department of Labor regulations concerning the calculation of the regular rate. Section 778.109 of the Department of Labor regulations provides that the regular hourly rate of pay of an employee is determined by dividing his/her total remuneration for employment in the applicable work period by the total number of hours actually worked by the employee in that work period for which such compensation was paid. An example of the method of calculating overtime compensation using a Fire Captain working suppression for the City would be as follows:

For illustrative purposes only assume:

\$2,795 = set salary for the 27-day work period for a Captain
 216 = number of "regular hours" worked within the 27-day period

Regular rate is computed as follows:

$$\$2,795/216 = \$12.94$$

If hours worked = 204 through 216, the overtime rate = $1/2 \times \$12.94 = \6.47

If hours worked are greater than 216, the overtime rate = $1 \frac{1}{2} \times \$12.94 = \19.41

If a particular Captain working suppression worked one 24-hour shift of overtime as a Captain within the 27-day work period, overtime would be computed as follows:

Hours worked in excess of 216 = 24

Regular rate $\$12.04 \times 1.5 = \19.41

$\$19.41 \times 24 = \465.84 overtime

If a particular Captain working prevention worked one 24-hour shift as a Firefighter at overtime in suppression within the seven (7)-day work period, overtime would be computed as follows:

Hours worked in excess of 40 = 24

Regular Firefighter rate $\times 1.5 =$ overtime rate

Overtime rate $\times 24 =$ overtime

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 31

The Union and City, through their designated representatives, have attempted in good faith to insure that the policies and practices of the City regarding overtime pay for the members of the Fire Unit are in conformance with the requirements of the Fair Labor Standards Act. Nothing shall prohibit the Union and City from meeting and conferring over provisions of the Fair Labor Standards Act by mutual agreement. In the event it is determined by a court of competent jurisdiction that any policy or practice of the City or authorized by this Memorandum of Understanding is inconsistent with the Fair Labor Standards Act, the designated representatives of the Union and City shall immediately meet and confer and amend such policy or practice to conform with the requirements of the Fair Labor Standards Act.

- f. Calculation of Pay While in Fire Academy. While enrolled in the Fire Academy, newly appointed firefighters shall have their pay calculated on a 40-hour work week (this will not include FLSA pay based on a 56-hour work week as an EMSTT, nor will an Unassigned Paramedic add pay be due).

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 32

SECTION 12. HOLIDAYS

The City observes the following holidays on the dates indicated:

- | | | |
|------|--------------------------------|-------------------------------|
| (1) | New Years Day | (January 1) |
| (2) | Martin Luther King's Birthday | (Third Monday in January) |
| (3) | Lincoln's Birthday | (Second Monday in February) |
| (4) | Washington's Birthday | (Third Monday in February) |
| (5) | Cesar Chavez Day | (March 31) |
| (6) | Memorial Day | (Last Monday in May) |
| (7) | Independence Day | (July 4) |
| (8) | Labor Day | (First Monday in September) |
| (9) | Columbus Day | (Second Monday in October) |
| (10) | Veterans' Day | (November 11) |
| (11) | Thanksgiving | (Fourth Thursday in November) |
| (12) | The day following Thanksgiving | (Fourth Friday in November) |
| (13) | Christmas Day | (December 25) |
| (14) | Employee's Birthday | |

The base salary of Fire Unit employees has been adjusted to compensate the employees for the holidays in lieu of time off.

In addition, a day appointed by the President or Governor as a public holiday shall be observed by the City for the purpose of administering this section. For any such holiday, Fire Unit employees shall receive the equivalent of one (1) additional hour of pay per month in lieu of holiday leave. For any holiday adopted by the City Council on a one-time basis (e.g. a national day of mourning), the payment of one additional hour of pay per month shall be limited to a twelve (12) month period.

SECTION 13. COMPENSATION AND ALLOWANCES OTHER THAN BASE SALARY13.1 Public Employee Retirement System Benefits

The City participates in the California Public Employees' Retirement System (PERS) and shall provide the Union's members with the following retirement benefits in accordance with state law and the agreement between the City and PERS.

- a. Retirement Contribution Supplement. The City contributes an amount equal to nine percent (9.0%) of the employee's current base salary and other compensation as qualified by State law toward PERS benefits. Such amounts will be applied to the employee's individual account in accordance with Government Code section 20691.
- b. Military Service Credit. The City will make application to PERS to provide for military service pursuant to the provisions of Government Code section 21024 (formerly 20930.3), at the employee's expense, effective upon adoption by the Stockton City Council and PERS Administration Board.
- c. Employee Contributions. In accordance with Government Code section 20692 (formerly 20615.5, Employer Paid Member Contributions as Compensation), employees, at the beginning of their last year of employment, will pay their nine percent (9.0%) employee contribution through an automatic payroll deduction. The base salary for those employees will be increased by that same nine percent (9.0%) for the last twelve (12) months of employment (IRS Code § 414H(2) will be concurrently implemented with the PERS amendment).
- d. Three Percent At Age 50 Retirement Benefits. As soon as possible following the City and Union's execution of this Memorandum of Understanding, the City shall make application with PERS to provide Government Code section 21362.2 (3.0% at age 50) benefits, with the benefit to be effective for Union's members on December 16, 2001, or following the approval and adoption by the Stockton City Council and PERS Board of Administration, if after December 16, 2001.
- e. Additional PERS Benefits. The following PERS benefits shall remain in effect during the term of this Memorandum of Understanding: Sick Leave Conversion (Government Code section 20965), Survivor Benefit Level 4 (Government Code section 21574), Post-Retirement Survivor Allowance to Continue After Remarriage (Government Code section 21635), and Continuation of Death Benefits After Remarriage (Government Code section 21551).

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 34

The Union shall have such other PERS benefits as set forth in the agreement between the City and PERS as of the date of execution of this Memorandum of Understanding.

13.2 Certificate Incentive Pay

The City will pay three percent (3.0%) of the top step of rank for sworn Fire Unit employees who attain an Intermediate Certificate.

The City will pay six percent (6.0%) of the top step of rank for sworn Fire Unit employees who attain an Advanced Certificate.

13.3 Educational Incentive Pay

Employees with degrees/diplomas above and beyond that which is required of their positions shall be provided three percent (3.0%) of the top step of rank. Employees are limited to no more than three percent (3.0%) regardless of the number of degrees/diplomas that they have above that required of their positions. If an employee promotes to a position that matches his/her diplomas/degrees, the three percent (3.0%) will no longer be paid. Experience may not substitute for education. Other formal education/training programs may substitute for the actual degree/diploma upon the recommendation of the Fire Chief and the approval of the City's Director of Human Resources.

13.4 HAZ/MAT Assignment

The City shall pay five percent (5.0%) of the top step of rank for sworn Fire Unit employees actively assigned to the HAZ/MAT response team. This section applies to a total certified and assigned complement of twelve (12) employees.

13.5 Paramedic Certification

The City shall pay Fire Unit employees who are assigned to Paramedic duties and possess a valid Paramedic certificate as follows:

- Paramedic Firefighter/EMSTT Step I: Six percent (6.0%) above top step of current applicable rank.
- Paramedic Firefighter/EMSTT Step III: Eight and one-half percent (8.5%) above top step of current applicable rank.
- Paramedic Firefighter/EMSTT Step V: Eleven percent (11.00%) above top step of current applicable rank.
- Paramedic Engineer: Six percent (6.0%) above Engineer top step.
- Paramedic Fire Captain: Six percent (6.0%) above Fire Captain top step.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 35

Unassigned Paramedic Pay. The City agrees to compensate all San Joaquin County licensed and accredited Stockton Fire Department paramedics who are not assigned to a paramedic position on an ambulance or engine company five percent (5.0%) unassigned paramedic pay.

13.6 Deferred Compensation

The City will contribute an amount equal to one percent (1.0%) of the employee's current base salary into a City deferred compensation account in the employee's name. Said amount shall be in addition to any voluntary contribution made or to be made by employee.

13.7 Uniform Allowance

Employees in this unit shall receive a uniform allowance in the amount of one-thousand two-hundred dollars (\$1,200.00). One-half (1/2) of the annual value of uniform allowance shall be paid to eligible employees during the months of April and October.

13.8 Contagious Disease

The City shall make available, at no cost to the employee, screenings for all strains of hepatitis, hepatitis B vaccinations, and shall monitor employees' exposure to tuberculosis.

13.9 Special Assignment Pay

The City Manager may approve additional compensation in an amount up to, but not to exceed, ninety percent (90%) of the Fire Chief's salary for the duration of a special assignment when an employee is assigned in writing by the Fire Chief, with the approval of the City Manager, to perform additional duties and responsibilities.

13.10 Acting Pay

Any employee who is assigned in writing to work in a higher paid classification and who performs a majority of the duties of that higher position, shall receive the rate of pay in a step of the higher classification which would have been received if the employee had been promoted into that classification.

13.11 Call-Back Pay

An employee called back to work to assist with a multiple alarm fire or other emergency situation after he/ she has worked a scheduled shift and has departed from the work site shall earn four (4) hours of call-back at the regular hourly rate of pay or time and one-half (1-1/2) of his/her regular rate of pay for time worked, whichever is greater.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 36

The above provision shall not apply to employees called back due to an operator error that does not result in the employee being assigned for the day or an employee's participation in official meetings called by authorized personnel of the Stockton Fire Department. In such instances, the employee will be compensated on an hourly basis, which shall include the employee's travel time.

13.12 Tiller Pay

Employees qualified as Tiller Operators and assigned to perform that duty shall receive an additional five percent (5.0%) of current base pay while performing that duty. No more than twelve (12) employees will be paid Tiller Pay at any given time. Nine (9) employees shall be paid on shifts, and up to three (3) employees shall be paid as alternates. The total of twelve (12) employees includes employees on light or modified duty.

13.13 Deputy Fire Marshal Series

Employees assigned as Deputy Fire Marshals shall be paid as follows:

Deputy Fire Marshal I:	Two and one-half percent (2.50%) above Firefighter top step
Deputy Fire Marshal II:	Five percent (5.0%) above Firefighter top step
Deputy Fire Marshal III:	Seven and one-half percent (7.50%) above Firefighter top step
Deputy Fire Marshal IV:	Ten percent (10.00%) above Firefighter top step
Fire Captain (FM III):	Ten percent (10.00%) above Fire Captain top step

13.14 Fire/Engineer Operator

Employees assigned as Fire/Engineer Operators shall be paid five percent (5.0%) above the Engineer top step.

13.15 Administrative Captain

Employees assigned as Administrative Captains shall be paid at a rate that is ten percent (10.00%) above the amount (inclusive of the FLSA adjustment) paid to Captains assigned to fire suppression duties.

13.16 Other Administrative Positions

- a. Fire Unit employees assigned as an Administrative Firefighter shall be paid at the rate of five percent (5.0%) of top step of rank of Firefighter (inclusive of FLSA), with pay increases of two and one-half percent (2.50%) per annum to a maximum of ten percent (10.00%), as best fitted to the Stockton Salary Schedule Matrix.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 37

- b. Fire Unit employees assigned as an Administrative Firefighter/Engineer shall be paid at the rate of five percent (5.0%) of top step of rank of Firefighter/Engineer (inclusive of FLSA), with pay increases of two and one-half percent (2.50%) per annum to a maximum of ten percent (10.00%), as best fitted to the Stockton Salary Schedule Matrix.

13.17 Longevity Pay

The City shall increase the salary step of Firefighter, Firefighter/Engineer, and Fire Captain who attain twenty-two (22) years of continuous employment by eleven and one-quarter percent (11.25%), as best fitted to the Stockton Salary Schedule Matrix. Eligibility for Longevity Incentive Pay shall be established effective the first pay period following the twenty-second (22nd) anniversary of the employee's date of hire.

For the purpose of defining "continuous service" under this section of the Memorandum of Understanding, continuous service shall include leaves without pay for less than one (1) year, as long as the employee did not withdraw the employee's contribution to PERS.

- a. The City will pay five percent (5.0%) of top step pay in rank to members of this unit who have fifteen (15) years of continuous service with the City's Fire Department. The pay shall be referred to as "Longevity Pay."
- b. Eligibility shall be established effective the first pay period following the fifteenth (15th) anniversary of the employee's date of hire.
- c. The City shall increase the salary step of Fire Unit employees who attain twenty-two (22) years of continuous employment to eleven and one-quarter percent (11.25%). The fifteen (15) year, five percent (5.0%) longevity add pay for employees identified in Section 13.17(a) will stop upon implementation of the eleven and one-quarter (11.25%) base salary step increase. The increase shall be effective the pay period immediately following the 22nd anniversary date

13.18 Severance Pay Deferral

Employees eligible for sick leave payoff at retirement may request not to receive the payoff until the first pay period of the calendar year following the date of retirement. For example, an employee who retires on June 15, 2006, would not receive the sick leave payoff until the first pay period after January 1, 2007. To the extent consistent with current tax laws, such requests will be honored.

SECTION 14. INSURANCE PLANS**14.1 Health Insurance And Related Benefits**

- a. Commencing with the execution of this Memorandum of Understanding, the City will provide for hospitalization, medical, dental/orthodontic, vision, and prescription benefits. The City will contribute all premiums necessary for these benefits for the term of this Memorandum of Understanding. The medical plan is the City's modified employee medical plan which is summarized on Appendix "B," attached hereto.
- b. Employees shall become eligible for hospitalization and medical care benefits on the first day of the month subsequent to completion of thirty (30) days continuous service with the City.
- c. Employees shall become eligible for dental care benefits on the first day of the month subsequent to completion of sixty (60) days continuous service with the City.

Effective December 16, 2003, Fire Unit employees' dental care benefits coverage shall be amended to provide one hundred percent (100%) diagnostic and preventative care coverage.

- d. The orthodontic benefit coverage is a Two Thousand Dollar (\$2,000) lifetime maximum.
- e. Fire Unit employees may schedule a physical examination annually. Consistent with City policies applicable to other bargaining units, the cost of the physical examination, not to exceed One Hundred Fifty Dollars (\$150) and to the extent not covered by the City's medical plan, will be paid by the City on a reimbursement basis, except as provided in "f." below.
- f. Effective July 1, 2006, the City-paid physical reimbursement benefit of One Hundred Fifty Dollars (\$150.00), as referenced in section 14.1(e), shall apply, in its entirety, toward the cost of the employee annual physical examination administered by the Wellness-Fitness Physician in connection with the joint management-labor mandatory Wellness-Fitness Program as set forth in Appendix E. If the Wellness-Fitness Program is terminated, the reimbursement benefit shall be paid as set forth in section 14.1(e) above.

14.2 Retirement Medical Allowance

The City shall pay a premium for the purpose of providing hospital, medical, and prescription benefits for each City employee who has retired. Such coverage shall include one (1) dependent and the following provisions shall apply:

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 39

- a. Normal Service Retirement. Eligibility for the allowance provided by this section is limited to employees who have retired subsequent to October 1, 1980, and who have retired at age fifty (50) or later. Such allowance shall terminate at age sixty-five (65).
- b. Disability Retirement. Eligibility for the allowance provided by this section is limited to employees who have retired subsequent to October 1, 1980, and such allowance shall be limited to a maximum of fifteen (15) years or the attainment of age sixty-five (65), whichever occurs first.
- c. Prescription Coverage. Prescription coverage will be provided for retirees and one (1) dependent.
- d. Medical Plan. The medical plan for employees retiring on or after February 1, 1993, shall be the City's modified employee medical plan.

Employees retiring on or after January 1, 1996, who are eligible for retirement medical allowance, may continue to be covered by the City's medical plan, when they reach age sixty-five (65), as supplemental coverage to Medicare or any other medical plan available to the retired employee. Said coverage shall extend to a retiree's spouse.

14.3 Medicare Supplemental Coverage Requirements

Upon reaching age sixty-five (65), retired employees are required by the City to apply for Medicare Part A and Part B coverage and to accept Medicare coverage if eligible. Those who must pay a premium to Medicare in order to obtain Part A coverage will be reimbursed by the City for their Medicare Part A premium. The City's medical coverage shall continue on a coordinated basis with the City as a secondary payer after Medicare pays as the primary provider. There may be occasions when paying the premium cost for Medicare Part A may not be in the City's best interest or the retiree may not be eligible. If such circumstances exist, the City's supplemental medical plan would then be the primary coverage plan. The City reserves the right to terminate reimbursement payments for Part A Medicare coverage, in which event the retiree will receive the City's modified medical plan as the primary health coverage, with the premiums for such coverage to be paid by the City. The coverage provided pursuant to this section shall apply to the retiree and his/her spouse.

14.4 Long Term Disability Insurance

The City will add Twelve Dollars (\$12) per month to the base salary of each job classification covered by the Memorandum of Understanding, as best fitted to the Salary Matrix.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 40

Effective July 1, 2003, the City will add an additional four dollars (\$4.00) for a total of sixteen dollars (\$16.00) per month to the base salary of each job classification covered by the Memorandum of Understanding, as best fitted to the Salary Matrix.

Effective January 1, 2007, the City added an additional one dollar (\$1.00), the amount equivalent to the increase in the premium, for a total of seventeen dollars (\$17.00) per month, to the base salary of each job classification covered by the Memorandum of Understanding, as best fitted to the Salary Matrix.

During the life of this Memorandum of Understanding, the City will continue to annually review any increase in the premium for the Union Preferred Plan for the preceding year and shall increase the amount to be added to the base salary of each classification by an amount equivalent to the increase in the premium. However, in no event shall the total amount to be added to the base salary of each job classification exceed Seventeen Dollars (\$17) per month per classification during the life of the Memorandum of Understanding. The City's performance in accordance with this provision shall fully satisfy and discharge the City's obligation to provide the Union's members with a Long Term Disability program, and the Union accepts, without reservation, responsibility for purchasing a Long Term Disability plan for its members or otherwise investing as it deems appropriate the increased salary payments made pursuant to this section.

14.5 Term Life Insurance

Employees are covered by the City's Term Life Insurance, with a benefit equal to one and one-half (1-1/2) times base annual salary.

SECTION 15. SALARY PLAN**15.1 Salary Ranges**

The salary ranges for all employees in this unit shall be as set forth in the City's Salary Schedule. All salaries hereby established and explained in other parts of Section 15 shall be salaries as fitted to the Stockton Salary Schedule Matrix. The rates of pay set forth in the City's Salary Schedule represent the standard rates of pay for full-time employment for each classification, unless the schedule specifically indicates otherwise. Percentage increases given for cost of living or equity adjustments shall be calculated as follows: The adjustment would be made at the first step of the salary range, and fitted to the Stockton Salary Schedule Matrix, with each subsequent step to be calculated using the Stockton Salary Schedule Matrix.

15.2 Salary Upon Appointment

Except as herein otherwise provided, the entrance salary for a new employee entering the classified service shall be the minimum salary for the class to which the employee is appointed. When circumstances warrant, the City Manager may approve an entrance salary that is more than the minimum salary for the class. Such a salary may not be more than the maximum salary for the class to which that employee is appointed.

15.3 Salary Equivalents

Any monthly, daily, or hourly rate of pay may be converted into any equivalent rate of pay or to any other time bases only when, in the judgment of the City Manager, such a conversion is advisable. In determining equivalent amounts on different time bases the City shall provide tables or regulations for the calculation of payment for service of less than full time, and for use in converting monthly salaries to hourly rates, as well as for calculating hourly rates.

15.4 Salary Step Plan-Sworn Ranks

There shall be nine (9) salary steps for the classification of Firefighter. There shall be six (6) salary steps in each range for the classifications of Firefighter/Engineer and Fire Captain.

The first step shall be the minimum rate and shall be the normal hiring rate for the class. (In a case where a person possesses unusual qualifications, the City Manager may authorize appointment above the first step after receiving the recommendation of the department head. The same provision shall apply to hourly-paid and part-time employees.)

If a department head recommends to withhold increases to salary steps two (2) through nine (9) because an employee has not achieved the level of performance

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 42

required, notice must be received by the City Manager at least four (4) weeks in advance of the employee's eligibility date. The affected employee shall be furnished a copy of the department head's recommendation.

The second step shall be paid upon the employee's satisfactory completion of the Fire Academy and upon the written recommendation of the department head.

The third step shall be paid upon the satisfactory completion of six (6) months of service at the second step.

The fourth step shall be paid upon the satisfactory completion of six (6) months of service at the third step.

The fifth step shall be paid upon the satisfactory completion of one (1) year of service at the fourth step.

The sixth step shall be paid upon the satisfactory completion of one (1) year of service at the fifth step.

The seventh step shall be paid upon the satisfactory completion of one (1) year of service at the sixth step.

The eighth step shall be paid upon the satisfactory completion of one (1) year of service at the seventh step.

The ninth step shall be paid upon the satisfactory completion of six (6) months of service at the eighth step and upon the written recommendation of the department head.

As an exception to the foregoing, employees promoted to the rank of Fire Captain shall be eligible for step increases upon the satisfactory completion of six (6) months' service in each step of the Fire Captain salary range. Also, employees holding the rank of Firefighter/Engineer shall be subject to step increase intervals of one (1) year. However, the Firefighter/Engineer rank shall be limited to six (6) salary steps. Regardless of an employee's length of service, step advancements may be made upon recommendation of the department head with the approval of the City Manager, but not above Step No. 6 of the Firefighter/Engineer and Fire Captain salary ranges, and not above Step No. 9 of the Firefighter salary range.

Salary step increases shall be effective the first day of the pay period following appointment or revision. If the date of appointment or revision is the first day of a pay period, salary step increases shall be as of that date.

Changes in an employee's salary because of promotion, demotion, postponement of salary step increase or special merit increase will set a new salary anniversary date for that employee.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 43

Salary range adjustments for the classification will not set a new salary anniversary date for employees serving in that classification.

15.5 Salary Step After Military Leave

All employees who have been granted military leave shall, upon their return to the City service, be entitled to the automatic salary advancements within the range scale of the established wage schedule of their classifications for the period they were in the military service.

15.6 Salary Step When Salary Range is Increased

Whenever the monthly schedule of compensation for a class is revised, each incumbent in a position to which the revised schedule applies shall be entitled to the step in the revised range which corresponds to the employee's step held in the previous range, unless otherwise specifically provided by the City Manager.

15.7 Salary Step After Promotion or Demotion

When an employee is promoted from a position in one rank to a position in a higher rank and at the time of promotion is receiving a salary equal to, or greater than, the minimum rate for the higher rank, that employee shall be entitled to a step in the salary range of the higher rank which is at least five percent (5.0%) above the rate the employee has been receiving, except that the new step shall not exceed the maximum salary of the higher rank. When an employee is demoted, whether such demotion is voluntary or otherwise, that employee's compensation shall be adjusted to the salary prescribed for the rank to which demoted.

15.8 Salary on Reinstatement

If a former employee is reinstated to the same position previously held or to one carrying a similar salary range, his/her salary shall not be higher than his/her salary at the time of his/her separation unless there has been an increase within the salary range.

15.9 Salary Adjustments

The Salary Schedule shall provide salary rates according to the following provisions:

a. Annual Cost of Living Adjustments

(1) Consumer Price Index Adjustments: December 16, 2006

On December 16, 2006, unless otherwise indicated in this section, the City shall increase the salaries reflected in its Salary Schedule for the Union's members by an amount equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 44

U.S. City Average (CPI-W) for the twelve (12)-month period concluding with the October index for that year. The salary increase shall be a minimum of two and one-half percent (2.5%), but shall not exceed six percent (6.0%).

An example of how the adjustment would be made is as follows: A CPI-W increase of six percent (6.0%) would result in a four and eight-tenths percent (4.8%) increase. The adjustment would be made at the first step of the salary range and as best fitted to the Stockton Salary Schedule Matrix, with each subsequent step to be calculated using the Stockton Salary Schedule Matrix.

The Consumer Price Index Adjustment scheduled for December 16, 2006 shall be deferred to July 1, 2007 (one-time deferment).

(2) Consumer Price Index Adjustments - July 1, 2008 through July 1, 2009

On July 1, 2008 and July 1, 2009, unless otherwise indicated in this section, the City shall increase the salaries reflected in its Salary Schedule for Union members by an amount equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers U.S. City Average (CPI-W) for the twelve (12)-month period using the November index of that previous fiscal year (i.e., November 2007, and November 2008). The salary increase shall be a minimum of two and one-half percent (2.5%), but shall not exceed six percent (6.0%).

An example of how the adjustment would be made is as follows: A CPI-W increase of six percent (6.0%) would result in a four and eight-tenths percent (4.8%) increase. The adjustment would be made at the first step of the salary range and as best fitted to the Stockton Salary Schedule Matrix, with each subsequent step to be calculated using the Stockton Salary Schedule Matrix.

(3) Salary Survey Adjustments – December 16, 2005 and July 1, 2009

For the salary survey adjustments to be made effective December 16, 2005, and July 1, 2009, the Salary Schedule shall be increased in accordance with the Cost of Living Adjustment formula described above or the Salary Survey formula described below, whichever is greater.

- (a) In conducting any salary survey required pursuant to this section, the Union and City shall work together to obtain total

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 45

compensation information for the top step of the Firefighter classifications from the following sixteen (16) agencies:

Alameda County Fire Department, Local 55
City of Anaheim
City of Fremont
City of Fresno
City of Garden Grove
City of Huntington Beach
City of Livermore
City of Modesto
City of Pasadena
City of Pleasanton
City of Sacramento
City of San Bernardino
City of Santa Ana
City of Torrance
City of Tracy
Sacramento Metro Fire Protection District

For clarification, effective December 16, 2005, Alameda County Fire Department, Local 55 replaced the City of Lodi for Salary Survey purposes.

The parties will arrange the survey information in descending rank order, and the Stockton Firefighters' base salary shall be adjusted by the percentage increase necessary to place the total compensation for the top step of the City's Firefighter classification at a position at the bottom of the top one-third (1/3) of the surveyed agencies, i.e., to a position equivalent to no less than the agency ranked fifth (5th). The adjustment would be made at the first step of the salary range for each classification covered by this Memorandum of Understanding and as best fitted to the Stockton Salary Schedule Matrix, with each subsequent step to be calculated using the Stockton Salary Schedule Matrix.

For purposes of this section, "total compensation" shall include base salary, PERS Employer-Paid Member Contribution or other applicable pension pick-up, uniform allowance, EMT pay, holiday pay, and any other PERS reportable compensation automatically received as a result of the rank held by the employee (e.g., the individual incentive pay received by an employee but not shared by all members holding the same rank would not be included).

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 46

- (b) For the salary survey adjustment effective December 16, 2005, the parties will begin the survey no later than October 1, 2005, for a completion date of November 30, 2005. The survey shall compare the pay rates for the surveyed agencies effective as of December 1, 2005.

For the salary survey adjustment effective December 16, 2005, two and one-half percent (2.5%) of the total salary adjustment resulting from the Salary Survey shall be paid effective December 16, 2005. The balance of the adjustment shall be paid effective July 1, 2006. For example, if the Salary Survey reflects a six percent (6.0%) salary adjustment, two and one-half percent (2.5%) shall be paid effective December 16, 2005. The remaining three and one-half percent (3.5%) shall be paid effective July 1, 2006. The Salary Survey adjustments shall be made at the first step of the salary range for each classification covered by this Memorandum of Understanding and as best fitted to the Stockton Salary Schedule Matrix, with each subsequent salary step to be calculated using the Stockton Salary Schedule Matrix.

- (c) For the salary survey adjustment effective July 1, 2009, the parties shall begin the survey not later than April 1, 2009, for a completion date of June 30, 2009. The survey shall compare the pay rates of surveyed agencies effective as of July 1, 2009. The Salary Survey Adjustment shall be a minimum of four and one-half percent (4.5%), but shall not exceed eight and one-half percent (8.5%). The Salary Survey Adjustment shall be made at the first step of the salary range for each classification covered by this Memorandum of Understanding and as best fitted to the Stockton Salary Schedule Matrix, with each subsequent salary step to be calculated using the Stockton Salary Schedule Matrix.
- (d) If the Union and City cannot agree on the amount of the adjustment to be made, the sole issue of the appropriate salary adjustment shall be taken before an arbitrator for binding arbitration. The process to select an arbitrator shall commence on the first business day following the scheduled December 16 implementation date.

15.10 Multiple Pay Raises

In certain years, multiple pay raises will be due to members represented under this Memorandum of Understanding. For an example, if the Salary Survey reflected a four point two three one percent (4.231%) salary adjustment, and members of this

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 47

Union with twenty-two (22) or more years of continuous service are eligible for a one percent (1.0%) increase for Longevity Incentive Pay, the members with twenty-two years of continuous service shall be provided a total of five point two three one percent (5.231%) increase.

The Union and City agree that when multiple raises are due at the same time only, the adjustments shall be added up and the total adjustment shall be made at the first step of the salary range for each classification covered by this Memorandum of Understanding, and as best fitted to the Stockton Salary Schedule Matrix, with each subsequent salary step to be calculated using the Stockton Salary Schedule Matrix.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 48

SECTION 16. SEPARABILITY OF PROVISIONS

In the event that any provisions of this Memorandum of Understanding are declared by a court of competent jurisdiction to be illegal or unenforceable, that provision of the Memorandum of Understanding shall be null and void but such nullification shall not affect any other provisions of this Memorandum of Understanding, all of which other provisions shall remain in full force and effect.

SECTION 17. PRACTICES AND EXISTING MEMORANDA OF UNDERSTANDING

Continuance of working conditions and practices not specifically authorized by ordinance or by resolution of the City Council is not guaranteed by this Memorandum of Understanding.

In the event that PERS changes its interpretation concerning the compensability of the former procedure for the Earned Time Allowance, the parties commit to return to the Earned Time Allowance procedure for employees with twenty-two (22) or more years of continuous service.

This Memorandum of Understanding shall supersede all existing Memoranda of Understanding between the City and the Union.

SECTION 18. SCOPE OF AGREEMENT

Except as otherwise specifically provided herein, this Memorandum of Understanding fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire agreement between the parties on any and all matters subject to meeting and conferring. Neither party shall, during the term of this Memorandum of Understanding, demand any change therein nor shall either party be required to negotiate with respect to any matter, provided that nothing herein shall prohibit the parties from changing the terms of this Memorandum of Understanding by mutual agreement.

During the term of this Memorandum of Understanding, no further cost reduction measures as proposed in the Cresap-McCormick-Paget Study will be implemented by the City which adversely impact the wages, hours, and other terms and conditions of employment of the members of this bargaining unit without prior agreement of the parties, it being the intent of the parties hereto that this provision shall not take precedence over any other provision of this Memorandum of Understanding.

SECTION 19. DURATION OF AGREEMENT

All provisions of this Memorandum of Understanding shall be effective as of the date of execution, and shall remain in full force and effect up to and including June 30, 2010, and shall continue thereafter from year to year unless at least sixty (60) days prior to the expiration date of June 30, 2010, either party shall file written notice with the other of its desire to amend, modify, or terminate this Memorandum of Understanding.

SECTION 20. MAINTENANCE OF OPERATIONS

- a. It is recognized that the need for continued and uninterrupted operation of City services is of paramount importance. Therefore, the Union and each employee represented thereby agrees that from the date of execution of this Memorandum of Understanding, through and inclusive of June 30, 2010, the Union or any person acting on its behalf, or each employee in a classification represented by the Union, shall not cause, authorize, engage in, encourage, or sanction a work stoppage, slowdown, refusal of overtime work, refusal to operate designated equipment (provided such equipment is safe and sound), or picketing (other than informational picketing), against the City or the individual or concerted failure to report for duty or abstinence from the full and faithful performance of the duties of employment (including compliance with the request of another labor organization or bargaining unit to engage in such activity) in an attempt to induce a change in wages, hours, and other terms and conditions of employment.
- b. An employee shall not be entitled to any wages or City paid benefits whatsoever if the City Council, by majority vote, determines to its satisfaction that the employee is or has engaged in any activity prohibited by subsection "a" of this section. In addition, the City may take other action that it deems appropriate.
- c. If the City Council, by majority vote, determines to its satisfaction that subsection "a" of this section has been violated by the Union, the City may take such remedial action as it deems appropriate.
- d. The Union recognizes the duty and obligation of its representatives and members to comply with the provisions of this Memorandum of Understanding and to make every effort toward inducing all employees in this unit to fully and faithfully perform their duties.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

In the event any activity prohibited by subsection "a" occurs, the Union agrees to take any and all steps necessary to assure compliance with this Memorandum of Understanding.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding this _____ day of November 2007.

STOCKTON PROFESSIONAL FIRE
FIGHTERS' LOCAL UNION 456'
INTERNATIONAL ASSOCIATION
OF FIRE FIGHTERS

CITY OF STOCKTON, a municipal
corporation

By: _____
DAVID MACEDO
Its: President

By: _____
J. GORDON PALMER, JR.
Its: City Manager

By: _____
GREG BIDDLE
Its: Vice-President

By: _____
DIANNA R. GARCIA
Its: Director of Human Resources

By: _____
DI SMITH
Its: Assistant Director of Human
Resources

APPROVED AS TO FORM:
WYLIE, McBRIDE, PLATTEN
& RENNER

APPROVED AS TO FORM:
RICHARD E. NOSKY, JR.,
City Attorney

By: _____
CHRISTOPHER PLATTEN
Its: Legal Counsel

By: _____
MICHON JOHNSON
Its: Deputy City Attorney

ATTEST:
KATHERINE GONG MEISSNER
CITY CLERK

By: _____
KATHERINE GONG MEISSNER
CITY CLERK

APPENDIX "A"

THE

CHARTER

OF THE

CITY OF STOCKTON



**THE CHARTER
OF THE
CITY OF STOCKTON**

ADOPTED BY THE PEOPLE OF THE

CITY OF STOCKTON ON NOVEMBER 28, 1922

RATIFIED BY THE SECRETARY OF STATE

OF THE STATE OF CALIFORNIA ON JANUARY 31, 1923,

AND IN EFFECT ON JULY 1, 1923

AS AMENDED THROUGH AND INCLUDING

MARCH 2, 2004

ARTICLE XVI, SECTION 1607 – THE CHARTER OF THE CITY OF STOCKTON

Impartial and Binding Arbitration for Fire Department Employee Disputes

(a) Declaration of Policy. It is hereby declared to be the policy of the City of Stockton that strikes by firefighters are not in the public interest and should be prohibited, and that a method should be adopted for peacefully and equitably resolving disputes that might otherwise lead to such strikes.

(b) Prohibition Against Strikes. If any firefighter employed by the City of Stockton willfully engages in a strike against the City, said employee shall be dismissed from his or her employment and may not be reinstated or returned to City employment except as a new employee. No officer, board, council or commission shall have the power to grant amnesty to any employee charged with engaging in a strike against the City.

(c) Obligation to Negotiate in Good Faith. The City, through its duly authorized representatives, shall negotiate in good faith with recognized Fire Department employee organizations on all matters relating to the wages, hours, and other terms and conditions of City employment, including the establishment of procedures for the resolution of grievances concerning the interpretation or application of an [sic] negotiated agreement. Unless and until agreement is reached through negotiations between authorized representatives of the City and a recognized employee organization for the Fire Department or a determination is made through the impartial arbitration procedure hereinafter provided, no existing benefit, term or condition of employment for said Fire Department employees shall be altered, eliminated or changed.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 54

(d) Impasse Resolution Procedures.

(1) All disputes or controversies pertaining to wages, hours or terms and conditions of employment which remain unresolved after good faith negotiations between the City and a Fire Department employee organization should be submitted to a three (3) member Board of Arbitrators upon the declaration of an impasse by the City or by the recognized employee organization involved in the dispute.

(2) Representatives designated by the City and representatives of the recognized employee organization involved in the dispute shall each select and appoint one arbitrator to the Board of Arbitrators within three (3) days after either party has notified the other, in writing, that it desires to proceed to arbitration. The third member of the Arbitration Board shall be selected by agreement between the City and the employee organization, and shall serve as the neutral arbitrator and Chairperson of the Board. In the event that the City and the recognized employee organization involved in the dispute cannot agree upon the selection of the neutral arbitrator within ten (10) days from the date that either party has notified the other that it has declared an impasse, either party may then request the State Mediation and Conciliation Service of the State of California Department of Industrial Relations to provide a list of seven (7) persons who are qualified and experienced as labor arbitrators. If the City and the employee organization cannot agree within three (3) days after receipt of such list on one (1) of seven (7) persons to act as the neutral arbitrator, they shall alternately strike names from the list of nominees until one (1) name remains and that person shall then become the neutral arbitrator and Chairperson of the Arbitration Board.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 55

(3) Any arbitration proceeding convened pursuant to this Article shall be conducted in conformance with, subject to, and governed by Title 9 of Part 3 of the California Code of Civil Procedure. The Arbitration Board shall hold public hearings, receive evidence from the parties and cause a transcript of the proceedings to be prepared. The Arbitration Board, in the exercise of its discretion, may meet privately with the parties and mediate or mede-arb issues in dispute. The Arbitration Board may also adopt such other procedures that are designed to encourage an agreement between the parties, expedite the arbitration hearing process, or reduce the costs of the arbitration process.

(4) In the event no agreement is reached prior to the conclusion of the arbitration hearings, the Arbitration Board shall direct each of the parties to submit, within such time limit as the Arbitration Board may establish, a last offer of settlement on each of the remaining issues in dispute. The Arbitration Board shall decide each issue by majority vote by selecting whichever last offer of settlement on that issue it finds most nearly conforms to those factors traditionally taken into consideration in the determination of wages, hours, benefits and terms and conditions of public and private employment, including, but not limited to the following: changes in the average consumer price index for goods and services; the wages, hours, benefits and terms and conditions of employment of employees performing similar services; and the financial condition of the City of Stockton and its ability to meet the costs of the decision of the Arbitration Board.

(5) After reaching a decision, the Arbitration Board shall mail or otherwise deliver a true copy of its decision to the

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 56

parties. The decision of the Arbitration Board shall not be publicly disclosed and shall not be binding until ten (10) days after it is delivered to the parties. During that ten (10) day period the parties shall meet privately, attempt to resolve their differences, and by mutual agreement amend or modify the decision of the Arbitration Board. At the conclusion of the ten (10) day period, which may be extended by mutual agreement between the parties, the decision of the Arbitration Board, as it may be modified or amended by the parties, shall be publicly disclosed and shall be binding on the parties. The City and the employee organization shall take whatever action is necessary to carry out and effectuate the arbitration award. No other actions by the City Council or by the electorate to confirm or approve the decision of the Arbitration Board shall be permitted or required.

(6) The expenses of any arbitration proceeding convened pursuant to this Article, including the fee for the services of the chairperson of the Arbitration Board and the costs of preparation of the transcript of the proceeding shall be borne equally by the parties. All other expenses which the parties may incur individually are to be borne by the party incurring such expenses.

(Repealed Election 10/14/47 effective 3/3/48; added Election 11/3/92 effective 1/13/93.)
(Note: This amendment to previously numbered Section 7' [Measure V initiated by Stockton Firefighters Local 1229] was passed by a vote of 29,299 [52.3%] at the 11/3/92 election.)

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 57

APPENDIX "B"

CITY OF STOCKTON
MODIFIED EMPLOYEE MEDICAL PLAN (BENEFIT RECAP)

		Plan Pays This Portion of Allowed Rate if Member Providers Used
Deductible		\$150.00 per person, per year (maximum 3 per family)
\$2,000,000 Lifetime \$ Maximum		
RX	100%	After \$3 Generic / \$8 Brand name, employee co-pay for up to 60 day supply of prescription drugs & insulin. No vitamins. (Note: Does not apply to deductible or max out-of-pocket).
Hospitalization	100%	Semi-private room rate. Pre-admit certification req'd. if non-emergency. Concurrent utilization review req'd. If non-member hospital used in area where member hospitals are available (70%).
Surgeon/Anesthesiologist	100%	
Outpatient Surgery	100%	
Outpatient Lab/X-ray	100%	Includes Preventive care: pap, mammo, prostate - frequency by age guidelines.
OB Maternity	100%	Normal or C-Section for employee or spouse.
Home Health Care and Hospice	100%	Subject to Utilization Review and Case Management.
Radiation/Chemotherapy/ Dialysis	100%	
Emergency Room	100%	1st treatment of accident injury within 72 hours, if health endangering, or life threatening acute illness. Otherwise 50%
ER Physician	100%	For surgery or for other approved emergency services. (Non-emergency illness 50%)
Ambulance	80%	Ground or Air
Preventative Care	80%	Well baby care first 2 yrs. Frequency by pediatric guidelines. Immunizations for children and adults. (Except for travel inoculations)
Physicians Office Visits	80%	When ill.
Chiropractic Visits	80%	Of allowable amounts. Subject to utilization review.
Other Covered Services	80%	
Outpatient Psychotherapy	80%	First 5 visits per year 60%, next 10 visits per year. (Maximum 15 visits per year. Does not apply to max out-of-pocket.) Must initiate thru the City's E.A.P. Program.
Inpatient Psychiatric	80%	
Alcohol and Drug Counseling/Detox/Treatment	80%	To maximum \$2,000 Lifetime For alcohol & drug counseling/detox/treatment. Must initiate thru the City's E.A.P. Program. For active only, not retirees.
EMPLOYEE MAXIMUM OUT-OF-POCKET: After the employee pays \$1,000 in co-pays and deductibles for covered medical expenses incurred by a person during a single year, the Plan will then pay 100% of covered expenses for that person for the remainder of the year.		
REVISED 11/30/04 LHOOTEN		

APPENDIX "C"PHASE II
VACATION SCHEDULING AGREEMENTTypes of Vacation Leaves Scheduled during Phase II

1. AV = The balance of any unscheduled annual vacation from Phase I. Phase I is defined as contained in section 9.1. d. (1) in the Fire Unit Memorandum of Understanding.
2. AVC = Annual Vacation Carryover.
3. LVC = Longevity Vacation Carryover.

The number of employees allowed off each day on Phase 1 or Phase 2 only (not including any other type of leaves) equals 8 employees per day.

Formula for the Addition of any New Personnel

$$\begin{array}{rcc} 267 \text{ (includes ambulance personnel and LTD employees)} & & \text{New Employee Total} \\ \text{-----} & = & \text{-----} \\ 8 & & X \end{array}$$

X = the new number of employees off per day under Phase I or Phase II, rounded to the nearest hundredths column (0.5 and greater – rounded up).

Longevity Vacation (previously Earned Time Allowance) is not subjected to Phase II scheduling guidelines.

For employees with twenty-two (22) years or more of continuous service, all vacation time shall be used as "longevity vacation time" and is not subjected to Phase II scheduling guidelines.

The City and Union further agree that the agreed upon Phase II Vacation Scheduling shall commence with the 2004 calendar year.

APPENDIX "D"CONSOLIDATED LETTER OF UNDERSTANDING
SFD AMBULANCE TRANSPORTATION

It is understood and agreed by and between the CITY OF STOCKTON, hereby referred to as the City, and the STOCKTON PROFESSIONAL FIREFIGHTERS LOCAL 456, INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, hereby referred to as the Union, that the following steps be completed for implementation of emergency ambulance transportation services within the jurisdiction of the Stockton Fire Department (SFD) and outlying areas of San Joaquin County as identified within the Stockton Fire Department Emergency Medical Services Transport Report (herein referred to as the Plan).

This Letter of Understanding (LOU) shall be made part of and attached to the existing Memorandum of Understanding (MOU) between the City and Union and shall be in force until December 15, 2007. The LOU is currently in hiatus until which time all parties agree to resume the ambulance transportation service.

1. The City shall endeavor to implement the Plan in an expeditious manner and in full compliance with all necessary authorization from the San Joaquin County Emergency Medical Services Authority (EMSA).
2. The City shall hire Emergency Medical Service Transport Technicians (EMSTTs) to staff fire department ambulances. A complement of one (1) Paramedic and one (1) EMT shall be the minimum staffing level for an emergency transportation unit.
3. EMSTTs shall attend a minimum two (2) week SFD Orientation Course.
4. Current firefighter EMT's and or Paramedics may be assigned to a transportation unit at the discretion of the Fire Chief.
5. Sworn personnel voluntarily filling overtime in non-sworn positions (on the ambulance) agree to be compensated at the top step EMSTT overtime hourly rate of pay for the classification which is being filled, i.e., EMSTT paramedic or EMSTT EMT.
 - a. Suppression members mandated to work overtime in non-sworn positions will be compensated at their current sworn position overtime hourly rate. For example, a Captain may volunteer to work overtime on the ambulance as an EMT knowing that he/she will be compensated at the top step EMSTT overtime hourly rate; however, he/she will receive a rate of pay normally received if worked as a Captain (Captain at time and a half) when mandated to work in the same non-sworn position on the ambulance.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 60

6. Additional transportation units shall be placed in service under the following conditions:
- a. An additional transportation unit(s) will be placed into service when the Department's transport volume exceeds an average of ten point seven (10.7) transports per day (4,000 per year) for each emergency transportation unit currently in service. Such additional transport units will be staffed with one (1) EMSTT EMT and one (1) EMSTT Paramedic.
 - b. Additional transportation units may be placed in service if the City Manager, upon advisement from the Fire Chief, determines additional transportation unit(s) would benefit the community. Such an additional emergency transportation unit shall be staffed with one (1) EMSTT EMT and one (1) EMSTT Paramedic.
7. As identified in the Plan, when the City places into service the seventh (7th) transportation unit, the City shall assign two (2) sworn employees to fulfill the duties and responsibilities of the following positions:
- a. EMS staff engineer/paramedic assigned to the Division of Training (DOT) on a forty (40) hour work week.
 - b. EMS Chief Officer.
8. The City and Union hereby agree that EMSTTs shall become members of the Union and shall be entitled at all applicable rights set forth in the MOU, except the following provisions shall apply:
- a. Retirement Medical Allowance. EMSTTs shall become eligible for retirement medical allowance no sooner than the first pay period following the employee's fifteenth (15th) anniversary of City service, and who have retired at age fifty (50) or later. Such allowance shall terminate at age sixty-five (65).
 - b. Retirement System. EMSTTs shall be covered and represented, to the extent permitted by law, under the contract between the City and the California Public Employees' Retirement System as Miscellaneous Employees.
 - c. Salary. EMSTTs hired before July 1, 2005, (Tier A) shall increase salary steps in six-month intervals and be compensated according to the following salary-steps:

1 – \$3082	2 – \$3240	3 – \$3406	4 – \$3580	5 – \$3764
6 - \$3957	7 – \$4160			
 - d. EMSTTs hired after July 1, 2005, (Tier B) shall be compensated according to the following salary-steps:

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)**Page 61**

- i. 1 – \$2524 2 – \$2653 3 – \$2789 4 – \$2932 5 – \$3082
6 - \$3240 7 – \$3406
- ii. Salary steps for EMSTTs hired after July 1, 2005, shall increase in one-year intervals for steps 1 through 6. Step 7 shall occur at the employee's tenth (10th) anniversary from date of hire.
- iii. The City and the Union agree that there is a two Tier salary range system for EMSTTs based upon a July 1, 2005 hire date. Tier A applies to all EMSTTs hired prior to July 1, 2005. Tier B applies to all EMSTTs hired after July 1, 2005. All add-pays are based on the employee's respective salary range (i.e., Tier A or B).
- e. Work Schedule. EMSTTs shall work the same 56-hour work schedule (shift work schedule) as sworn-fire suppression personnel and shall be considered as 56-hour non-sworn employees for all intent and purposes, (notwithstanding entitlement of overtime compensation for hours worked in excess of 40-hours per week as set forth below).
- f. Base Salary. The base salary for EMSTTs shall be as set forth in the Stockton Salary Schedule Matrix and will include straight time for all (56-hours) regularly scheduled shift work. In addition, EMSTTs shall receive paramedic pay compensation as described in Section 13.5, Paramedic Certification, of the Fire Unit MOU (Paramedic steps I, III, V).
- g. Hourly Rate of Pay. The hourly rate of pay for EMSTTs (EMT) shall be determined by dividing the annual base salary (plus any additional add pays to which EMSTTs are entitled) by 2,912 hours. The hourly rate of pay for EMSTTs (Paramedic) shall be determined by dividing the base salary and paramedic pay compensation (plus any additional add pays to which EMSTTs are entitled) by 2,912 hours.
- h. Fair Labor Standards Act – Overtime. EMSTTs shall be paid an additional 17.33 hours per pay period. This additional compensation shall meet the City's obligation of and compliance with the Fair Labor Standards Act for overtime compensation for regularly scheduled hours worked in excess of 40-hours per week.
- Overtime hours worked shall be paid at the rate of one and one-half times (1-1/2) the hourly rate of pay. Overtime hours worked shall be defined as all work hours other than regularly scheduled shift work.
- i. Calculation of Pay While in EMSTT Academy. While enrolled in the academy, newly appointed EMSTTs shall have their pay calculated based on a 40-hour work week (this will not include FLSA pay based on the 56-hour work week as an EMSTT nor will any Unassigned Paramedic add pay be due).

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Page 62

- j. EMSTT Transition to Firefighter.
 - i. EMSTTs that successfully pass the entry level Firefighter testing process shall be afforded the opportunity to be appointed to the vacant position of firefighter, upon approval by the Personnel Officer. (Ref. CSC Rules and Regulations for Police and Fire Employees, Rule VII, Section 5(a)).
 - ii. EMSTTs that do not complete Firefighter probation may, with the Fire Chief's recommendation, have the ability to continue city service, and if doing so as a fire department EMSTT, will suffer no loss of pay or seniority; however, any pay adjustment will be commensurate with the final position held. For example, a Probationary Firefighter who has attained regular status as an EMSTT or who has successfully completed six (6) months of probation as an EMSTT may be transferred, reinstated, or voluntarily demoted to EMSTT shall be credited with time in class and shall be compensated at the salary step as if the employee had remained in the previously held position.
 - iii. EMSTTs transitioning to the rank of Firefighter shall have their Firefighter starting pay calculated in accordance with Section 15.7 of the Fire Unit MOU.
 - k. Probation. Section 4 of the MOU applies, except that all original entrance non-sworn positions shall be tentative and subject to a probationary period of twelve (12) months. The probationary period for entrance non-sworn positions shall not be extended.
9. Any dispute arising as to the interpretation or application of the provisions of this agreement shall be resolved in accordance with the grievance provisions set forth in Section 8 of the MOU.

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

IN WITNESS WHEREOF, the parties hereto have executed this LOU agreement this ____ day of July 2005, to be effective upon ratification by the parties.

STOCKTON PROFESSIONAL FIRE
FIGHTERS LOCAL UNION 456'
INTERNATIONAL ASSOCIATION
OF FIRE FIGHTERS

CITY OF STOCKTON, a municipal
corporation

By: ORIGINAL SIGNED AND ON FILE IN THE HUMAN RESOURCES DEPARTMENT AND CITY CLERK'S OFFICE
MICHAEL LILIENTHAL
Its: President

MARK LEWIS
Its: City Manager

By: ORIGINAL SIGNED AND ON FILE IN THE HUMAN RESOURCES DEPARTMENT AND CITY CLERK'S OFFICE
DAVE MACEDO
Its: Vice-President

TERRY G. PARKER
Its: Director of Human Resources

By: ORIGINAL SIGNED AND ON FILE IN THE HUMAN RESOURCES DEPARTMENT AND CITY CLERK'S OFFICE
TIM ENRIGHT
Its: Executive Board Member

W. GARY GILLIS
Its: Fire Chief

APPROVED AS TO FORM:

APPROVED AS TO FORM:

WYLIE, McBRIDE, JESSINGER,
PLATTEN & RENNER

REN NOSKY
City Attorney

By: ORIGINAL SIGNED AND ON FILE IN THE HUMAN RESOURCES DEPARTMENT AND CITY CLERK'S OFFICE
CHRISTOPHER PLATTEN
Its: Legal Counsel

MICHON JOHNSON
Its: Deputy City Attorney

ATTEST:
KATHERINE GONG MEISSNER
CITY CLERK

By: ORIGINAL SIGNED AND ON FILE IN THE HUMAN RESOURCES DEPARTMENT AND CITY CLERK'S OFFICE
KATHERINE GONG MEISSNER
Its: City Clerk

APPENDIX "E"

**LETTER OF AGREEMENT
STOCKTON FIRE DEPARTMENT'S WELLNESS-FITNESS PROGRAM**

It is understood and agreed by and between the CITY OF STOCKTON FIRE DEPARTMENT, hereby referred to as the "Department," and the STOCKTON PROFESSIONAL FIRE FIGHTERS' LOCAL 456, INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS,' hereby referred to as the "Union," that a Wellness-Fitness Program will begin with the following provisions:

1. The Wellness-Fitness Program is a collaborative approach between Management and Labor to develop, promote, enhance and maintain the wellness and fitness of members of the Department.
2. The Wellness-Fitness Program will be based on the International Association of Fire Fighters' (IAFF) Joint-Labor Management Wellness Fitness Initiative.
3. The sole purpose of the Wellness-Fitness Program is to increase the physical and mental well being of Union members of the Department.
4. Participation in the Wellness-Fitness Program is mandatory for the program's testing, evaluations, and daily physical training requirements. No disciplinary action will be taken because of results that are obtained due to the physical examination and fitness tests performed during the Wellness-Fitness Program.
5. Confidentiality of medical information is a critical aspect of the Wellness-Fitness Program. The Department agrees that all information obtained from the medical and physical evaluations is confidential, and the Department will only have access to information regarding necessary work restrictions and appropriate accommodations as Dr. Sepiol or his replacement deems necessary. The Department also agrees that all medical information must be maintained in separate files from all other personnel information.
6. The quantitative content of the yearly examinations will be determined by Dr. Sepiol, or his replacement.

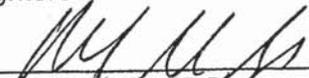
MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Any dispute arising as to the interpretation of application of the provisions of this agreement shall be resolved in accordance with the grievance provisions set forth in section 8 of the Fire Unit MOU.

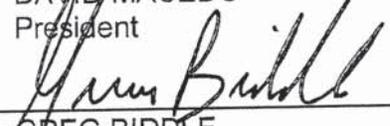
IN WITNESS WHEREOF, the parties here to have executed this Letter of Agreement this _____ day of November 2007, to be effective upon ratification by the parties.

STOCKTON PROFESSIONAL
FIRE FIGHTERS' LOCAL UNION 456,
International Association of
Fire Fighters

CITY OF STOCKTON
FIRE DEPARTMENT

By: 
DAVID MACEDO
Its: President

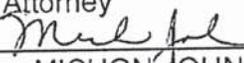
By: 
RONALD L. HITTLE
Its: Fire Chief

By: 
GREG BIDDLE
Its: Vice-President

APPROVED AS TO FORM:

APPROVED AS TO FORM:

WYLIE, McBRIDE, PLATTEN &
RENNER
By: 
CHRISTOPHER PLATTEN
Its: Legal Counsel

RICHARD E. NOSKY, JR.,
City Attorney
By: 
MICHON JOHNSON
Its: Deputy City Attorney

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

INDEX

	<u>Page</u>
Absence Without Official Leave (AWOL)	23
Accessibility and Reporting (Sick Leave)	18
Accessibility and Reporting (Workers' Compensation Leave)	21
Accrued Vacation Allowance	14
Acting Pay	35
Administrative Captain	36
Administrative Positions (Other than Captain)	36-37
Advance Notice	3
Annual Cost of Living Adjustments	43-44
Application for and Approval of Leaves of Absence without Pay	22
Arbitration	12
Arbitration (Effect of Decision)	12
Arbitration (Other Provisions)	12-13
Arbitration (Scope)	12
Attendance at Meetings by Employees	4
Bereavement Leave	18-19
Calculation of Overtime for Fire Suppression Personnel	30-31
Call-Back Pay	35-36
Certificate Incentive Pay	34
City Charter	51-56/Appendix A
City Recognition	1
Classifications of Paramedic and Emergency Medical Technician	59-63/Appendix D
Compensation and Allowances Other Than Base Salary	33-37
Compensatory Time	28
Compliance With Laws	5
Consumer Price Index Adjustment	43-44
Contagious Disease	35
Continuing Education for Paramedics	30
Court Appearances	19-20
Days and Hours of Work	24-27
Deferred Compensation	35
Denial of Leave Request or Failure to Return After Leave	23
Dental Benefits (Employees)	38
Deputy Fire Marshal Series	36
Disability Retirement	39
Discipline	10
Doctor's Certificate or Other Proof	18
Dues Deduction	2-3
Duration of Agreement	49
Educational Incentive Pay	34
Employee Contributions (PERS)	33
Employee Options	8
Equal Employment	5
Equity Adjustment (Salary)	43
Family Sick Leave	17
Fair Labor Standards Act	28-31
Filing Deadline (Grievance)	11
Fire/Engineer Operator	36

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Grievance (Definition).....	11
Grievance (Filing Deadline).....	11
Grievance Procedures.....	11-13
Grievance Processing.....	11-12
Grievance Processing (Arbitration).....	12
Grievance Processing (City Manager Review).....	11-12
Grievance Processing (Departmental Review).....	11
Grievance Processing (Director of Human Resources Review).....	11
HAZ/MAT Assignment.....	34
Health Insurance and Related Benefits.....	38
Holidays.....	32
Indemnity and Refund.....	3
Insurance Plans.....	38-40
Layoff.....	7-8
Layoff (Employee Options).....	8
Layoff (Notice).....	7
Layoff (Precedence by Employment Status).....	7-8
Layoff (Scope).....	7
Leaves.....	14-23
Leaves of Absence.....	22
Leaves of Absence Without Pay.....	22-23
Leaves of Absence Without Pay (Application and Approval).....	23
Leaves of Absence Without Pay (Purpose and Length).....	23
Long Term Disability Insurance Coverage.....	39-40
Longevity Incentive Pay.....	37
Longevity Vacation Allowance.....	14
Longevity Vacation (Accrual).....	14
Maintenance of Operations.....	48
Maternity Leave.....	20
Medical Plan (Employees).....	57/Appendix B
Medical Plan (Retirees).....	57/Appendix B
Medicare Supplemental Coverage Requirements.....	39
Military Leave.....	20
Military Service Credit (PERS).....	33
Multiple Pay Raises.....	46
Non-Discrimination.....	5
Normal Service Retirement.....	39
Notice of Layoff.....	7
Original Entrance Positions.....	6
Other Administrative Positions.....	36
Other Leaves With Pay.....	19-21
Other Provisions (Scope of Arbitration).....	12-13
Overtime.....	28-31
Overtime (Definition).....	28
Overtime (Fair Labor Standards Act).....	28-29
Paramedic Certification.....	34-35
Payment for Unused Sick Leave.....	19
PERS.....	32-33
PERS (3% at Age 50 Retirement Benefit).....	32
PERS (Employee Contributions).....	32
PERS (Military Service Credit).....	32

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)	
PERS (Retirement Contribution Supplement)	32
Phase II Vacation Scheduling Agreement.....	57/Appendix C
Physical Examination	38
Practices and Existing Memoranda of Understanding	47
Precedence by Employment Status	7-8
Prescription Coverage (Employees).....	39
Prescription Coverage (Retirees).....	39
Probation.....	6
Probation (Purpose).....	6
Probation (Retention/Rejection of Probationer).....	6
Procedures for Requesting and Approving Sick Leave	17
Promotional Positions.....	6
Rank for Rank Relief	28
Recognition	1
Reemployment.....	9
Retention/Rejection of Probationer	6
Retirement Contribution Supplement	32
Retirement Medical Allowance	38-39
Return to Duty (Sick Leave)	18
Return to Duty (Workers' Compensation Leave).....	21
Salary Adjustments	43-46
Salary Adjustments (Annual Cost of Living).....	43
Salary Adjustments (Consumer Price Index)	43-44
Salary Adjustments (Equity).....	43
Salary Adjustments (Salary Survey).....	44-45
Salary Equivalents.....	41
Salary on Reinstatement.....	43
Salary Plan.....	41-46
Salary Ranges.....	41
Salary Step After Military Leave	43
Salary Step After Promotion or Demotion	43
Salary Step Plan.....	41-43
Salary Step When Salary Range is Increased	41-42
Salary Survey Adjustment.....	43-46
Salary Upon Appointment	41
Scope of Agreement.....	47
Scope of Arbitration.....	12
Severability of Provisions	47
Severance Pay Deferral	37
Service Retirement (Normal).....	38
Shift Trades	24
Sick Leave.....	17-18
Sick Leave (Accessibility and Reporting)	18
Sick Leave (Accrual)	17
Sick Leave (Doctor's Certificate or Other Proof)	18
Sick Leave (Family).....	17
Sick Leave (Payment for Unused).....	18
Sick Leave (Procedures for Requesting and Approving)	17
Sick Leave (Return to Duty)	18
Sick Leave (Usage).....	17
Sick Leave (Usage While on Vacation).....	18

MEMORANDUM OF UNDERSTANDING (FIRE UNIT)

Signatures	49
Special Assignment Pay.....	35
Staffing Policy.....	24-26
Stockton Fire Department Ambulance Transportation Implementation.....	58-61/Appendix D
Term Life Insurance	40
Tiller Pay	35-36
Training Time	28
Uniform Allowance	34-35
Union Recognition.....	1
Union Security	2-4
Use of City Facilities.....	3
Use of Sick Leave While on Vacation	18
Vacation	14-16
Vacation (Accrued).....	17
Vacation (Carryover).....	16
Vacation (Longevity).....	14-15
Vacation (Scheduling).....	15-16
Vacation (Sell-back).....	15
Vacation Allowance for Separated Employees	16
Voluntary Resignation	23
Wellness-Fitness Program	64-65 (Appendix E)
Work Out of Classification.....	28
Workers' Compensation Leave	20-21
Workers' Compensation Leave (Accessibility and Reporting).....	21
Workers' Compensation Leave (Notification to Department)	21
Workers' Compensation Leave (Return to Duty).....	21
Workweek.....	24