Resolution No. 96-0594

STOCKTON CITY COUNCIL

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. That the Memorandum of Understanding" ("MOU") agreed to between the City of Stockton by and through the City Manager and the City of Stockton Management B & C Employees Group for the Mid-Management/Supervisory Level Bargaining Unit for the period commencing January 1, 1997 and ending December 31, 2002, is hereby accepted and approved by this City Council; a copy of the MOU is attached as Exhibit "A" and incorporated by this reference.

2. That the City Manager is hereby authorized and directed to take such action as deemed necessary to carry out the purpose and intent of this resolution.

PASSED, APPROVED and ADOPTED DEC 15 1996

JOAN DARRAH,
Mayor
of the City of Stockton

ATTEST:
KATHERINE GONG MEISSNER
City Clerk
of the City of Stockton
CITY OF STOCKTON

MID-MANAGEMENT/SUPERVISORY LEVEL
MEMORANDUM OF UNDERSTANDING

The Stockton Mid-Management/Supervisory Level bargaining unit and representatives of the City of Stockton have met and conferred in good faith regarding wages, hours and other terms and conditions of employment of employees employed in the representation unit identified in Section 1, 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-Millas-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 for salary and employee benefit adjustments for the period commencing January 1, 1997, and ending December 31, 2002.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Recognition.</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>Association Security</td>
<td>2 - 5</td>
</tr>
<tr>
<td>3</td>
<td>Compliance with Federal Laws</td>
<td>5</td>
</tr>
<tr>
<td>4</td>
<td>Probation</td>
<td>6</td>
</tr>
<tr>
<td>5</td>
<td>Layoff</td>
<td>7 - 9</td>
</tr>
<tr>
<td>6</td>
<td>Reemployment</td>
<td>10</td>
</tr>
<tr>
<td>7</td>
<td>Discipline (Supervisory Level)</td>
<td>11</td>
</tr>
<tr>
<td>8</td>
<td>Grievance Procedure</td>
<td>12 - 15</td>
</tr>
<tr>
<td>9</td>
<td>Leaves</td>
<td>16 - 24</td>
</tr>
<tr>
<td>10</td>
<td>Days and Hours of Work</td>
<td>25</td>
</tr>
<tr>
<td>11</td>
<td>Overtime</td>
<td>26 - 27</td>
</tr>
<tr>
<td>12</td>
<td>Holidays</td>
<td>28</td>
</tr>
<tr>
<td>13</td>
<td>Compensation and Allowances Other Than Base Salary</td>
<td>29 - 32</td>
</tr>
<tr>
<td>14</td>
<td>Insurance Plans</td>
<td>33 - 35</td>
</tr>
<tr>
<td>15</td>
<td>Salary Plan</td>
<td>36 - 37</td>
</tr>
<tr>
<td>16</td>
<td>Separability of Provisions</td>
<td>38</td>
</tr>
<tr>
<td>17</td>
<td>Past Practices and Existing Memoranda of Understanding</td>
<td>38</td>
</tr>
<tr>
<td>18</td>
<td>Scope of Agreement</td>
<td>38</td>
</tr>
<tr>
<td>19</td>
<td>Duration of Agreement</td>
<td>38</td>
</tr>
<tr>
<td>20</td>
<td>Maintenance of Operations</td>
<td>39 - 40</td>
</tr>
<tr>
<td>Topic</td>
<td>Page</td>
<td></td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
<td>------</td>
<td></td>
</tr>
<tr>
<td>Absence Without Official Leave (AWOL)</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>Acting Pay</td>
<td>37</td>
<td></td>
</tr>
<tr>
<td>Adoption Leave</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>Advanced Notification</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Application for and Approval of Leave of Absence Without Pay</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>Association Recognition</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Association Security</td>
<td>2-5</td>
<td></td>
</tr>
<tr>
<td>Attendance at Meetings by Employees</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Bereavement Leave</td>
<td>19</td>
<td></td>
</tr>
<tr>
<td>Birthday Leave</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>City Recognition</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Call Back</td>
<td>27</td>
<td></td>
</tr>
<tr>
<td>Compensation and Allowances Other Than Base Salary</td>
<td>29-32</td>
<td></td>
</tr>
<tr>
<td>Compensatory Time</td>
<td>26</td>
<td></td>
</tr>
<tr>
<td>Compliance with Federal Laws</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Court Appearance</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Days and Hours of Work</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>Deferred Compensation</td>
<td>31-32</td>
<td></td>
</tr>
<tr>
<td>Discipline (Supervisory Level)</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Doctor's Certificate or Other Proof</td>
<td>19</td>
<td></td>
</tr>
<tr>
<td>Dues Deduction</td>
<td>2-3</td>
<td></td>
</tr>
<tr>
<td>Duration of Agreement</td>
<td>38</td>
<td></td>
</tr>
<tr>
<td>Educational Incentive Pay</td>
<td>32</td>
<td></td>
</tr>
<tr>
<td>Employee Options</td>
<td>8-9</td>
<td></td>
</tr>
<tr>
<td>Family Sick Leave</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Filing Deadline (Grievance)</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Grievance (Definition)</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Grievance Procedure</td>
<td>12-15</td>
<td></td>
</tr>
<tr>
<td>Grievance Processing</td>
<td>12-13</td>
<td></td>
</tr>
<tr>
<td>Group Life Insurance Coverage</td>
<td>33</td>
<td></td>
</tr>
<tr>
<td>Health and Welfare Benefits</td>
<td>33-34</td>
<td></td>
</tr>
<tr>
<td>Health and Welfare Benefits During Layoff</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Holidays</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Holidays Observed by the City</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Indemnity and Refund (Dues Deduction)</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Insurance Plans</td>
<td>33-35</td>
<td></td>
</tr>
<tr>
<td>Layoff</td>
<td>7-9</td>
<td></td>
</tr>
<tr>
<td>Layoff Scope</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Leaves</td>
<td>16-24</td>
<td></td>
</tr>
<tr>
<td>Leave of Absence</td>
<td>21-22</td>
<td></td>
</tr>
<tr>
<td>Leave of Absence Without Pay</td>
<td>22-23</td>
<td></td>
</tr>
<tr>
<td>Leave of Absence Without Pay (Purpose and Length)</td>
<td>22-23</td>
<td></td>
</tr>
<tr>
<td>Long Term Disability Insurance Coverage</td>
<td>34</td>
<td></td>
</tr>
<tr>
<td>Maintenance of Membership</td>
<td>4-5</td>
<td></td>
</tr>
<tr>
<td>Maintenance of Operations</td>
<td>39-40</td>
<td></td>
</tr>
<tr>
<td>Topic</td>
<td>Page</td>
<td></td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
<td>------</td>
<td></td>
</tr>
<tr>
<td>Maternity Leave</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>Mid-Management Level Positions</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Mileage Reimbursement for Private Vehicle Use</td>
<td>32</td>
<td></td>
</tr>
<tr>
<td>Military Leave</td>
<td>20-21</td>
<td></td>
</tr>
<tr>
<td>Non-Discrimination</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Notice of Layoff</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Other Leaves With Pay</td>
<td>19-25</td>
<td></td>
</tr>
<tr>
<td>Other Provisions (Grievance)</td>
<td>14-15</td>
<td></td>
</tr>
<tr>
<td>Overtime</td>
<td>26-27</td>
<td></td>
</tr>
<tr>
<td>Overtime (Eligibility)</td>
<td>26</td>
<td></td>
</tr>
<tr>
<td>Past Practices and Existing Memoranda of Understanding</td>
<td>38</td>
<td></td>
</tr>
<tr>
<td>Paternal Leave</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>Payment for Unused Sick Leave</td>
<td>19</td>
<td></td>
</tr>
<tr>
<td>Physical Examination</td>
<td>32</td>
<td></td>
</tr>
<tr>
<td>Precedence of Employment Status</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Probation (Supervisory Level)</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Procedures for Requesting and Approving Sick Leave</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Public Employees' Retirement System (P.E.R.S.)</td>
<td>31</td>
<td></td>
</tr>
<tr>
<td>Reemployment</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Refusal of Leave or Failure to Return After Leave</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>Retention/Rejection of Probationan</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Retirement Contribution Supplement</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>Retirement Medical Allowance (Service/Disability)</td>
<td>34-35</td>
<td></td>
</tr>
<tr>
<td>Safety Protective Footwear Reimbursement</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>Salary Adjustments</td>
<td>37</td>
<td></td>
</tr>
<tr>
<td>Salary Equivalents</td>
<td>36</td>
<td></td>
</tr>
<tr>
<td>Salary on Reinstatement</td>
<td>37</td>
<td></td>
</tr>
<tr>
<td>Salary Plan</td>
<td>36-37</td>
<td></td>
</tr>
<tr>
<td>Salary Ranges</td>
<td>36</td>
<td></td>
</tr>
<tr>
<td>Salary Step after Military Leave</td>
<td>36</td>
<td></td>
</tr>
<tr>
<td>Salary Step after Promotion or Demotion</td>
<td>36-37</td>
<td></td>
</tr>
<tr>
<td>Salary Step when Salary Range is Increased</td>
<td>36</td>
<td></td>
</tr>
<tr>
<td>Separability of Provisions</td>
<td>38</td>
<td></td>
</tr>
<tr>
<td>Sick Leave</td>
<td>18-19</td>
<td></td>
</tr>
<tr>
<td>Sick Leave (Accrual)</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Sick Leave (Usage)</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Scope of Agreement</td>
<td>38</td>
<td></td>
</tr>
<tr>
<td>Scope of Arbitration</td>
<td>13-14</td>
<td></td>
</tr>
<tr>
<td>Supervisory Level (Probation)</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Supplemental Medical Coverage (Retiree)</td>
<td>35</td>
<td></td>
</tr>
<tr>
<td>Uniform Allowance</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>Use of City Facilities</td>
<td>3-4</td>
<td></td>
</tr>
<tr>
<td>Use of Sick Leave While on Vacation</td>
<td>19</td>
<td></td>
</tr>
<tr>
<td>Vacation Leave (Mid-Management Level)</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>Vacation Leave (Supervisory Level)</td>
<td>17</td>
<td></td>
</tr>
<tr>
<td>Voluntary Resignation</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>Workers' Compensation Leave</td>
<td>21</td>
<td></td>
</tr>
<tr>
<td>Workweek</td>
<td>25</td>
<td></td>
</tr>
</tbody>
</table>
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

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, hereinafter 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 Association Recognition

The City of Stockton Management B & C Employees Group, hereinafter referred to as "Association", is the recognized employee organization for the Mid-Management/Supervisory Level Bargaining Unit certified pursuant to Resolution No. 91-0014, adopted by the City Council on January 2, 1991.

Section 2. Association Security

2.1 Dues Deduction

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

Payroll deduction shall be for a specified amount and consistent for all employee members of the Association and shall not include fines, fees, and/or assessments.

Authorization, cancellation or modification of the payroll deduction shall be made upon forms provided or approved by the City. The payroll deduction authorized shall remain in effect until cancelled or modified by the employee by written notice to the City or until the first day of the calendar month following the transfer of the employee to a unit represented by another employee organization as the representative of the unit to which the employee is assigned, or until employment with the City is terminated.

Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Association as the person authorized to receive such funds, at the address specified.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

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

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

2.3 Advanced Notification

Except in cases of emergency, reasonable advance written notice shall be given to the Association if related to matters within the scope of representation proposed to be adopted by the City and shall be given the opportunity to negotiate, if requested, with the designated management representatives prior to adoption.

In cases of emergency when the foregoing procedure is not practical or in the best public interest, the City may adopt or put into practice immediately such measures as are required. At the earliest practical date thereafter, the Association 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 Association 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 with the performance of City services as determined by the City. 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) employees.

2.5 Maintenance of Membership

(a) Association membership is not a mandatory condition of employment for any employee covered by this Agreement. However, any employee covered by this Agreement, who is an Association member on or after the date of this Agreement
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

Section 4. Probation

4.1 Supervisory Level

Original and promotional appointments shall be tentative and subject to a probationary period of six (6) months. The probationary period shall not be extended.

4.2 Mid-Management Level

All Mid-Management Level positions are considered to be salaried employees. They do not have Civil Service status. Employment and separation of employment will be consistent with State Law.

4.3 Retention/Rejection of Probationer

During the probationary period a Mid-Management/Supervisory level employee may be rejected at any time by the appointing authority. Any supervisory or former supervisory level employee rejected during the probationary period following a promotional appointment, shall be reinstated to the position from which he/she was promoted unless charges are filed and he/she is discharged in the manner provided in the City Charter XXXII, Section 9.
5.4 **Precedence by Employment Status**

No permanent employee shall be laid off while employees working in an extra help, 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:

(a) extra help  
(b) provisional  
(c) temporary  
(d) probationary

Layoffs shall be by job classification according to service in that class, except as specified above. For the purpose of this procedure, part-time classes shall be considered as separate from regular full-time classes.

The following provisions shall apply in computing total continuous service:

(a) Time spent on military leave shall count as service in the event the leave was taken subsequent to entry in the department.

(b) Time worked in an extra help, provisional, temporary, grant or other limited term status shall not count as service.

(c) Time worked in a permanent or probationary status shall count as service.

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

5.5 **Employee Options**

Employees laid off shall have any of 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 Personnel Services as having the least seniority in that classification. 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 who has the least seniority in that classification. Employees who exercise this option shall
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 and is ready to report for duty when a position is open, the City shall cause the name of such employee to be placed on 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 by seniority, which means "last laid off, first rehired."

In filling vacancies, eligibles on the reemployment lists take precedence over eligibles on any other list for the same class in the department for which the lists apply.
Section 8. Grievance Procedure

8.1 Definition

A grievance is any dispute which involves the interpretation or application of the Memorandum of Understanding or appropriate disciplinary action (Supervisory Level employees only) in lieu of a Civil Service Commission appeal.

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 Personnel Services within ten (10) business days of the time in which the affected employee received written notification of such action. All other grievances must be filed within thirty (30) calendar days from the time the employee knew or had reason to know of the facts giving rise to the grievance.

8.3 Grievance Processing

(a) Step 1 - Departmental Review. Any employee claiming to have a grievance may discuss the complaint with such management official in the department where employed as the department head may designate. If the issue is not resolved within the department within ten (10) business days from the day of presentation or if the employee elects to submit the grievance directly to the Association recognized as the representative of that employee's classification, the procedures hereinafter specified may be invoked.

(b) Step 2 - Director of Personnel Services Review. If the employee is not satisfied with the response at Step 1, then the employee may appeal the grievance to the Director of Personnel Services within ten (10) business days of the receipt of written response at Step 1. Such appeal must state with particularity; 1) the specific policy, rule or provision which is alleged to have been violated; 2) the statement of facts comprising the violation; and 3) the requested remedy. The Association may file and process grievance(s) on behalf of the specifically named employee.

The Director of Personnel Services shall have twenty (20) business days in which to review the issues and respond to the appeal. No grievance may be processed under the following two (2) paragraphs which has not first been filed and reviewed in accordance with this paragraph unless the Director of Personnel Services fails to respond within the time limit.
No change 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 Association.

8.5 Other Provisions

If the Director of Personnel Services in pursuance of the procedures outlined above resolve a grievance which involves suspension or discharge, he/she 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 judgement for the judgement of Management and if he finds that the City had such right, he 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 department at Step 1. Only complaints which 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 thirty (30) days from the date upon which the complaint was filed.

The provisions of this Section shall not abridge any right to which an employee may be entitled under the City Charter, nor shall it be administered in a manner which would abrogate any power which may be within the sole province and discretion of the Civil Service Commission. Reference to Civil Service Commission is limited to Supervisory Level employees.

All grievances of employees in the representation unit represented by the Association shall be processed under this Section. If the City Charter requires that differing options 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 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
Section 9. Leaves

9.1 Vacation - Mid-Management Level

(a) The vacation plan for Mid-Management Level employees shall provide for a flat annual allowance, a maximum carry-over limit and a sell-back provision.

(b) Mid-Management Level employees shall, on July 1, of each year, receive a vacation allowance which shall be the employee's vacation entitlement for the fiscal year.

(c) Mid-Management Level employees shall receive twenty (20) days and an additional five (5) days for City service after fifteen (15) years and up to twenty-five (25) years.

(d) Mid-Management Level employees shall receive one (1) additional day vacation allowance per year for each year of service beyond twenty-five (25) years of service.

(e) Mid-Management Level employees shall be granted a maximum carry-over of one (1) previous year's vacation allowance plus fifteen (15) days as of June 30, of any year.

(f) Mid-Management Level employees may carry-over vacation time in excess of the maximum allowance mentioned above when such vacation remains because of being in a pay status during a period of illness or injury which precluded liquidating vacation credits earned in excess of the maximum allowed.

(g) Mid-Management Level employees are allowed a maximum sell-back not to exceed designated unused vacation per year. Mid-Management employees may sell back ten (10) days per year. To qualify for this sell-back benefit, an employee must have used, either in the preceding or current fiscal year, an equivalent number of vacation days to the number of sell-back days.
9.3 Sick Leave

(a) Accrual. All regular employees, except provisional, temporary and extra-help employees, each shall accrue sick leave at the rate of ten (10) hours for full month of service. All regular employee, except provisional, temporary and extra-help employees, working less than a full month shall 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 which the employee would normally have worked, to a maximum of sick leave hours accrued.

An employee may use sick leave for preventive medical, dental, optical care, 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, 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 department head, to the time reasonably required to make other arrangements for such care.

For the purpose of this Section, such sick leave 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.

(d) Procedures for Requesting and Approving Sick Leave. When the requirement for sick leave is known to the employee in advance of his/her absence, the employee shall request authorization for such sick leave from the department head prior to such absence. In all other instances, the employee shall notify his/her supervisor as promptly as possible of his/her absence.

Before an employee may be paid for the use of accrued sick leave, he/she shall complete and submit to his/her department head a signed statement, on a prescribed form, stating 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 department head.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

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

Said absence 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 a defendant, including necessary travel time. As a condition of receiving such full pay, the employee must remit to the City through the employee's department head, within fifteen (15) days after receipt of all fees received except those specifically allowed for mileage and expenses.

Jury duty or witness duty appearances shall be considered in terms of "hours" of service. If an employee is not due to appear for jury duty or as a witness until afternoon court session, the employee will be expected to work his/her usual morning schedule. If an employee is required to appear for morning court session, he/she is required to return to work, having been released by the court, and he/she will be expected to work his/her usual schedule.

Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City through the employee's department.

Notwithstanding the foregoing, attendance in court in connection with an employee's official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is not a party, together with travel time necessarily involved, shall not be considered absent from work within the meaning of this Section.

(c) **Military Leave.** An employee of the City who is a member of the National Guard or Naval Militia or a member of 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 shall be allowed leave of absence without pay for the duration of a national emergency who have been inducted into the Army, Navy, Marine Corps, Air Force or any other branch of the Military Service.
intends to return to work upon the expiration of the leave.

All approval authority over leaves of absence exercised by the department head 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 hereinafter.

The entitlement to City payment of premium 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 plan by prepayment of the monthly premium during the authorized leave of absence.

Authorized absence without pay which 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 adjustment.

9.7 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 this Section.

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

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 approval of the Director of Personnel Services. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom.

Such a leave will be granted only after all accrued sick leave credits have been
9.10 **Maternity Leave**

Time off the job for pregnancy, childbirth, and related medical conditions will be covered as required by State and Federal Law and City policy consistent herewith. Employees may use sick, leave without pay, LTD, 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.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

Section 11. Overtime

11.1 Eligibility

Mid-Management Level employees do not receive overtime. Mid-Management Level employees in this unit are salaried employees who work whatever time necessary to accomplish duties of their assigned position.

Supervisory Level employees will receive overtime at the appropriate rate when authorized in writing by the Department Head prior to the overtime worked.

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 excess of their normal work schedule. For the purpose of this Section, Compensatory Time shall apply only to Supervisory Level employees.

(b) Accrual. For hours in excess of forty (40) hours in a seven (7) day work period, for which the employee is in a paid status, Compensatory Time may be earned at the rate of time and one-half (1 1/2). No more than forty (40) hours (twenty-six (26) hours worked at time and one-half (1 1/2) may be carried on the books at any time.

(c) Use. Use of Compensatory Time shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of City business. Approval of requests for use of Compensatory Time shall be at the sole discretion of the department head, but once approved, cannot be changed unless an emergency situation arises.

(d) Payment. Once forty (40) hours of Compensatory Time is accrued on the books, all other hours worked in excess of forty (40) in a seven (7) day work period will automatically be paid.

Any Compensatory Time balance remaining at the end of fiscal year will automatically be paid.
**MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)**

**Section 12. Holidays**

**Holidays Observed by the City: (Mid-Management/Supervisory Level Employees)**

<table>
<thead>
<tr>
<th>Number</th>
<th>Holiday Description</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>New Year’s Day</td>
<td>January 1</td>
</tr>
<tr>
<td>(2)</td>
<td>Martin Luther King Jr’s., Birthday</td>
<td>Third Monday in January</td>
</tr>
<tr>
<td>(3)</td>
<td>Lincoln’s Birthday</td>
<td>Second Monday in February</td>
</tr>
<tr>
<td>(4)</td>
<td>Washington’s Birthday</td>
<td>Third Monday in February</td>
</tr>
<tr>
<td>(5)</td>
<td>Cesar Chavez Day</td>
<td><em>March 31 (float day within 90 work days)</em></td>
</tr>
<tr>
<td>(6)</td>
<td>Memorial Day</td>
<td>Last Monday in May</td>
</tr>
<tr>
<td>(7)</td>
<td>Independence Day</td>
<td>July 4</td>
</tr>
<tr>
<td>(8)</td>
<td>Labor Day</td>
<td>First Monday in September</td>
</tr>
<tr>
<td>(9)</td>
<td>Columbus Day</td>
<td>Second Monday in October</td>
</tr>
<tr>
<td>(10)</td>
<td>Veteran’s Day</td>
<td>November 11</td>
</tr>
<tr>
<td>(11)</td>
<td>Thanksgiving</td>
<td>Fourth Thursday in November</td>
</tr>
<tr>
<td>(12)</td>
<td>Day After Thanksgiving</td>
<td>Fourth Friday in November</td>
</tr>
<tr>
<td>(13)</td>
<td>Christmas Day</td>
<td>December 25</td>
</tr>
<tr>
<td>(14)</td>
<td>Employee’s Birthday</td>
<td></td>
</tr>
</tbody>
</table>

In addition, a day appointed by the President or Governor as a public holiday shall be observed if adopted by the Stockton City Council.

*In the event a day appointed by the President or Governor as a public holiday is not adopted by the Stockton City Council pursuant to the above paragraph, the City Manager may, at his discretion, determine that certain City employees will be not be required to work that day, but that certain City offices will remain open at a minimal staffing level. If the City Manager makes such a determination, such staffing shall be at the discretion of the Department Head. Employees who are required to work on that day will earn a “float” day off, to be taken at a time approved, in advance, by the Department Head. The “float” day off must be taken within ninety (90) work days from the date of the minimally staffed work day.*

**Birthday Holiday Leave.** The department head with due consideration for the wishes of the employee may authorize the birthday holiday to be taken within sixty (60) calendar days after the employee’s birthday.
13.2 Uniform Allowance

(a) Police and Fire (non-sworn) employees in this unit occupying the following position(s) shall receive as an additional annual compensation a uniform allowance in the amount indicated. One-half (1/2) of the annual value of the uniform allowance shall be paid to eligible employees during the months of April and October.

Effective January 1, 1997, the employees in the following classifications shall be paid uniform allowance as indicated below:

- Animal Control Supervisor $375
- Fire Telecommunications Supervisor $325
- Police Telecommunications Supervisor $325
- Sr. Police Telecommunications Supervisor $325
- Supervising Evidence Technician $375
- Supervising Police Records Assistant $325

Effective January 1, 1998, the above classifications shall be increased by a total of TWENTY-FIVE DOLLARS ($25.00) each year of this Agreement.

(b) Safety Protective Footwear Reimbursement. Effective January 1, 1997, employees required to wear safety protective footwear in accordance with City Manager's Administrative Directive PER-034, and approved for safety protective footwear reimbursement, the City will authorize safety protective footwear reimbursement in the amount of ONE HUNDRED TEN DOLLARS ($110.00). Effective January 1, 1998, an additional TEN DOLLARS ($10.00) for a total of ONE HUNDRED TWENTY DOLLARS ($120.00); effective January 1, 1999, an additional TEN DOLLARS ($10.00) for a total of ONE HUNDRED THIRTY DOLLARS ($130.00); effective January 1, 2000, an additional TEN DOLLARS ($10.00) for a total of ONE HUNDRED FORTY DOLLARS ($140.00); effective January 1, 2001, an additional TEN DOLLARS ($10.00) for a total of ONE HUNDRED FIFTY DOLLARS ($150.00), and effective January 1, 2002, an additional TEN DOLLARS ($10.00) for a total of ONE HUNDRED SIXTY DOLLARS ($160.00).
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

In no event will the total City/employee contribution exceed that amount allowed by law. Participants will receive this benefit during employment with the City of Stockton and generally cannot withdraw the funds until retirement or service termination.

13.5 Physical Examination

Mid-Management Level employees may schedule a physical examination annually. Cost of the examination, not to exceed ONE HUNDRED FIFTY DOLLARS ($150), will be paid by the City of Stockton.

Supervisory Level employees may schedule a physical examination annually. Cost of the examination, not to exceed ONE HUNDRED DOLLARS ($100), will be paid by the City of Stockton.

13.6 Mileage Reimbursement for Private Vehicle Use

Mid-Management/Supervisory Level employees who use their own vehicle on City business on a consistent and repetitive basis will be compensated at the current Internal Revenue Service (IRS) rate and in accordance with the City Manager's Administrative Directive, MAN-016, Section III. B.

13.7 Educational Incentive Pay

Employees with degrees/diplomas above and beyond that is required of their position shall be provided 3% of the top step of the position. Employees are limited to no more than 3% regardless of the number of degrees/diplomas above that required of the position. If the employee promotes to a position which matches his/her diploma/degree, the 3% will no longer be paid. Experience may not substitute for education. Other formal education/training programs may substitute for the actual degree/diploma.

For employees in a classification requiring a Masters degree, those employees who possess double Masters will be eligible for three percent (3%) education incentive pay.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

Effective January 1, 1997, Supervisory Level employees will receive an additional fifty percent (50%) life insurance coverage. The life insurance coverage will be one and one-half (1 1/2) times their annual salary.

14.3 Long Term Disability Insurance Coverage

Mid-Management/Supervisory Level employees will receive long term disability insurance coverage. Essentially, this is an income protection plan which provides disability income for Mid-Management/Supervisory Level employees including:

(a) Each disability - approximately 66 2/3% of salary.

(b) A 30-day waiting period before eligibility for benefit.

(c) Benefit payable until age sixty-five (65).

14.4 Retirement Medical Allowance

(a) The City will contribute all premiums necessary 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 shall be determined by the eligible date noted below.

(1) Normal Service Retirement

Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to April 1, 1983, and who have retired at age fifty (50) or later. Such allowance shall terminate at age sixty-five (65).

(2) Disability Retirement

Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to April 1, 1983, and such allowance shall be limited to a maximum of fifteen (15) years or the attainment of age sixty-five (65), whichever occurs first.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

Section 15. Salary Plan

15.1 Salary Ranges

The salary ranges for all employees in the aforementioned representation unit will be as set forth in Appendix A, which is attached hereto and made a part hereof. All salaries hereby established and explained in other parts of this Section shall be salaries as fitted to the City of Stockton’s standard salary schedule matrix. The rate of pay set forth in Appendix A represents for each classification the standard rate of pay for full-time employment, unless the schedule specifically indicates otherwise.

15.2 Salary Equivalents

Any monthly, daily or hourly rate of pay may be converted into any equivalent rate of pay or to any other time base only when in the judgement of the City Manager, such a conversion is advisable. In determining equivalent amounts on different time basis, the City shall provide tables or the 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.

15.3 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.

15.4 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.

15.5 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 range of the higher rank which is at least five percent (5%) above the rate the
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)


In the event that any provisions of this Memorandum of Understanding are declared by the 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. Past 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.

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.

Section 19. Duration of Agreement

All provisions of this Memorandum of Understanding shall be effective January 1, 1987, and shall remain in full force and effect to and including the 31st day of December, 2002, and shall continue thereafter from year to year unless at least sixty (60) days prior to the expiration date of December 31, 2002, either party shall file written notice with the other of its desire to amend, modify, or terminate this Memorandum of Understanding.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

(e) The rights of the City as set forth in Section 5 of Resolution No. 32,538, dated August 4, 1975, are incorporated herein by reference.

IN WITNESS WHEREOF the parties hereto have executed this Memorandum of Understanding this 16 day of December, 1996.

EMPLOYEE REPRESENTATION SERVICES, INC.

MAY PROSSER-STRONG
REPRESENTATIVE

VICKI BRAND
VICKI, BRAND, MANAGEMENT B & C GROUP, PRESIDENT

ED CRUZ, ASSOCIATION MEMBER

CANDY RETAMOZA
CANDY RETAMOZA, ASSOCIATION MEMBER

JOHN GEER, BOARD MEMBER

DOUG JONES, BOARD MEMBER

DAN DAVIS, BOARD MEMBER

CITY OF STOCKTON

DWANE MILNES
CITY MANAGER

GEORGE F. BIST, DEPUTY DIRECTOR
EMPLOYEE RELATIONS OFFICER

CATHY O'DELL
SENIOR PERSONNEL ANALYST

SYLVIA RAMIREZ
LABOR RELATIONS SECRETARY

APPROVED AS TO CONTENT:
DWANE MILNES, CITY MANAGER
BY: CITY MANAGER

APPROVED AS TO FORM:
R. THOMAS HARRIS, CITY ATTORNEY
BY: DEPUTY ASSISTANT CITY ATTORNEY
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2000

Effective January 1, 2000, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix.

Salary increases effective January 1, 2000, shall equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers United States City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g. CPI-W increase of nine percent (9%) would still result in a six percent (6%) increase).

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2001

Effective January 1, 2001, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix.

Salary increases effective January 1, 2001, shall equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers United States City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g. CPI-W increase of nine percent (9%) would still result in a six percent (6%) increase).

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2002

Effective January 1, 2002, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix.

Salary increases effective January 1, 2002, shall equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers United States City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g. CPI-W increase of nine percent (9%) would still result in a six percent (6%) increase).

CITY OF STOCKTON
ATTACHMENT A

ADDENDUM
TO
MEMORANDUM OF UNDERSTANDING
BETWEEN
CITY OF STOCKTON
AND
MID-MANAGEMENT/SUPERVISORY LEVEL UNIT
(January 1, 1997 through December 31, 2002)

<table>
<thead>
<tr>
<th>Position Number</th>
<th>Position Title</th>
<th>Grade</th>
<th>Salary Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>05697</td>
<td>Assistant City Clerk (Title Change)</td>
<td>04N</td>
<td>$3073 - $3753</td>
</tr>
<tr>
<td>05370</td>
<td>Supervising Real Property Agent (Title Change)</td>
<td>5AS</td>
<td>$3616 - $4417</td>
</tr>
</tbody>
</table>
MEMORANDUM

January 7, 1997

TO: L. PATRICK SAMSELL, Finance Director

FROM: GEORGE F. BIST, Deputy Director/Employee Relations Officer

SUBJECT: MEMORANDUM OF UNDERSTANDING
MID-MANAGEMENT/SUPERVISORY LEVEL UNIT

At its meeting of December 16, 1996, the Stockton City Council was presented for adoption Memorandum of Understanding new terms and conditions of employment between the Mid-Management/Supervising Level Unit and the City of Stockton. We have summarized the key provisions of the Agreement below for implementation, where applicable.

- Term
  Six (6) years' agreement (January 1, 1997 through December 31, 2002)

- Salary
  Effective January 1, 1997, 80% of Consumer Price Index (CPI) (minimum 2.5%, maximum 6%) and each year thereafter for term of Agreement

- Deferred Compensation
  Effective January 1, 1997, an additional one-half percent (.5%) increase and each year thereafter for term of Agreement

- Uniform Allowance
  Effective January 1, 1997, an additional twenty-five dollar ($25.00) increase and each year thereafter for term of Agreement

Effective January 1, 1997, the City will provide safety footwear reimbursement of one hundred ten dollars ($110.00) to those employees required to wear safety protective footwear. Effective January 1, 1998, the City will provide an additional ten dollars ($10.00) and each year thereafter for term of Agreement.
The City will apply to provide PERS Government Code 20615.5 (Employer Paid Member Contributions Converted to Payrate During the Final Compensation Period), Internal Revenue Service Code 414H(2) concurrently, and PERS Government Code 20965 (Credit for Unused Sick Leave) to be effective upon adoption by the Stockton City Council and PERS Administration Board.

Effective January 1, 1998, the City will apply to provide PERS Government Code 21382.5 (Fourth Level of 1959 Survivor Benefits) to be effective upon adoption by the Stockton City Council and PERS Administration Board.

Effective January 1, 1997, an additional one thousand dollar ($1,000.00) orthodontic benefits coverage lifetime maximum.

Effective January 1, 1997, the City will continue comprehensive health, dental/orthodontic, vision and prescription coverage for spouse and eligible dependents upon the death of an employee while employed with the City of Stockton. At age sixty-five (65) the spouse's City medical coverage shall be secondary (supplemental) to Medicare.

Effective January 1, 1997, an additional fifty percent (50%) life insurance coverage.
The U.S. City Average for Urban Wage Earners and Clerical Workers’ Consumer Price Index (CPI-W) ending November 1996 is 3.3%. Salary increases shall equal 80% of the CPI ending November 1996. Effective January 1, 1997, employees represented by Mid-Management/Supervisory Level Unit shall receive 2.6% cost-of-living increase.

The Personnel Services Department is currently calculating new salary ranges based on the 2.6% increase and will provide that information to you when we complete the process. If you have any questions or need clarification in this regard, please call me at 8344.

McKINLEY LLOYD
DIRECTOR OF PERSONNEL SERVICES

GEORGE F/BIST
DEPUTY DIRECTOR/EMPLOYEE RELATIONS OFFICER

ML/GFB:sgr

cc: JUDY NG, Supervising Accounting Office Assistant
    Personnel Services-Benefits Section
TO: MAYOR and City Council

FROM: McKINLEY LLOYD, Director of Personnel Services

SUBJECT: RESOLUTION APPROVING THE MEMORANDUM OF UNDERSTANDING, COMPENSATION PLAN, AND AGREEMENT FOR THE STOCKTON MID-MANAGEMENT/SUPERVISORY LEVEL UNIT FOR TERMS AND CONDITIONS OF EMPLOYMENT

RECOMMENDATION

It is recommended that the Stockton City Council approve the new terms and conditions of employment for the Stockton Mid-Management/Supervisory Level Unit.

DISCUSSION

Background

On April 13, 2000, the membership of the Stockton Mid-Management/Supervisory Level Unit ratified a tentative agreement. The proposed Stockton Mid-Management/Supervisory Level Unit Memorandum of Understanding covers the period April 16, 2000 through December 31, 2008.

Present Situation

The Key salary provisions of the labor agreement between the Stockton Mid-Management/Supervisory Level Unit and the City of Stockton are consistent with the authorization approved by the Stockton City Council. We have summarized these key salary provisions below for reference:

- Term
  Eight (8) year agreement
  (April 16, 2000 through December 31, 2008)

- Salary
  80% of CPI each year
  (minimum 2.5% maximum 6%) for term of agreement
  (Effective January 1, 2001)

AGENDA ITEM 5.8
RESOLUTION APPROVING THE MEMORANDUM OF UNDERSTANDING, COMPENSATION PLAN, AND AGREEMENT FOR THE STOCKTON MID-MANAGEMENT/SUPERVISORY LEVEL UNIT FOR TERMS AND CONDITIONS OF EMPLOYMENT (Page Two)

- Deferred Compensation
  Convert 4.5% deferred compensation to base salary (Supervisory Level)
  (Effective April 16, 2000)
  Convert 5.5% deferred compensation to base salary (Mid-Management Level)
  (Effective April 16, 2000)
  Delete ½% deferred compensation
  (Effective January 1, 2001)
  Delete ½% deferred compensation
  (Effective January 1, 2002)

- Salary Steps
  Add a new Step 1 (entry level) reduced by 5%
  (Effective April 16, 2000)

- Education Incentive Pay
  Becomes effective only after twelve (12) months of continuous service
  (Effective April 16, 2000)

- Life Insurance
  Increased by .5 annual salary
  (Effective April 16, 2000)

- Professional Growth Allowance
  The City will provide an additional compensation of 2.5% upon completion of twelve (12) continuous years of service
  (Effective January 1, 2002)

- PERS 5% Annual Cost of Living Allowance Increase
  The City will make application to PERS to provide California Government Code Section 21335 (5% Annual Cost of Living Allowance Increase) as an additional PERS benefit
  (Effective January 1, 2003)

- Uniform Allowance
  Uniform allowance adjustment to equalize with supervised classifications
  (Effective April 16, 2000)
  Additional $50 uniform allowance
  (Effective January 1, 2004)
  Additional $50 uniform allowance
  (Effective January 1, 2006)
RESOLUTION APPROVING THE MEMORANDUM OF UNDERSTANDING, COMPENSATION PLAN, AND AGREEMENT FOR THE STOCKTON MID-MANAGEMENT/SUPERVISORY LEVEL UNIT FOR TERMS AND CONDITIONS OF EMPLOYMENT (Page Three)

Additional $50 uniform allowance
(Effective January 1, 2008)

• Dental
  Additional $200 dental
  (Effective January 1, 2005)

  Additional $200 dental
  (Effective January 1, 2008)

FINANCIAL SUMMARY

The proposed Stockton Mid-Management/Supervisory Level Unit Memorandum of Understanding is within the parameters set by the Stockton City Council. Salary increases are based upon 80% of the Consumer Price Index (not less than 2.5%) and to exceed 6% regardless of the Consumer Price Index level.

Respectfully submitted.

McKINLEY LLOYD
DIRECTOR OF PERSONNEL SERVICES

GEORGE F. BIST
DEPUTY DIRECTOR/EMPLOYEE RELATIONS OFFICER

APPROVED:

DWANE MILNES
CITY MANAGER

DATE: April 18, 2000
WHEREAS, on December 16, 1996, by Resolution No. 96-0594, the City Council accepted and approved a Memorandum of Understanding ("MOU") for the Mid-Management/Supervisory Level Bargaining Unit for the period commencing January 1, 1997, and ending December 31, 2002, which was subsequently amended on August 10, 1999, by Resolution No. 99-0375; and

WHEREAS, in a closed session held on February 29, 2000, the City Council consulted with and gave direction to the City Manager and the City of Stockton's ("City") labor negotiator to negotiate with various of City's employee bargaining units, including the Mid-Management/Supervisory Level Bargaining Unit, regarding modifications to be made to the MOU; and

WHEREAS, the City's labor negotiator met and reached a tentative agreement with the Mid-Management/Supervisory Level Bargaining Unit regarding proposed modifications to be made to the MOU, which were within the parameters established by the City Council; and

WHEREAS, included in the tentative agreement were provisions extending the term of the MOU through December 31, 2008, and other changes summarized in Attachment "A" hereto, which is incorporated herein by reference; and

WHEREAS, the tentative agreement was subsequently ratified by a vote conducted on or about April 13, 2000, by the Mid-Management/Supervisory Level Bargaining Unit's membership; and

WHEREAS, it is now necessary to amend the MOU to incorporate the modifications; now, therefore,
BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. That the modifications to be made to the MOU, as summarized in Attachment "A" hereto and set forth in detail in the copy of the amended MOU attached hereto as Attachment "B" and incorporated herein by reference, are accepted and approved by the City Council effective April 16, 2000.

2. That the City Manager or the City Manager's designee is hereby authorized and directed to execute, on behalf of the City, copies of the MOU attached hereto as Attachment "B," and to take such other action as deemed necessary to carry out the purpose and intent of this resolution.

PASSED, APPROVED, AND ADOPTED APR 16 2000

GARY A. PODESTO, Mayor of the City of Stockton

ATTEST:

KATHERINE GONG MEISSNER
City Clerk of the City of Stockton
ATTACHMENT A

The modifications to the Mid-Management/Supervisory Level bargaining unit Memorandum of Understanding are fully set forth in the modified version of the MOU. Some of the key provisions affecting employee salaries are as summarized below:

- **Term**
  
  Eight (8) year agreement  
  (April 16, 2000 through December 31, 2008)

- **Salary**
  
  80% of CPI each year  
  (minimum 2.5% maximum 6%) for term of agreement  
  (Effective January 1, 2001)

- **Deferred Compensation**
  
  Convert 4.5% deferred compensation to base salary (Supervisory Level)  
  (Effective April 16, 2000)

  Convert 5.5% deferred compensation to base salary (Mid-Management Level)  
  (Effective April 16, 2000)

  Delete ½% deferred compensation  
  (Effective January 1, 2001)

  Delete ½% deferred compensation  
  (Effective January 1, 2002)

- **Salary Steps**
  
  Add a new Step 1 (entry level) reduced by 5%  
  (Effective April 16, 2000)

- **Education Incentive Pay**
  
  Becomes effective only after twelve (12) months of continuous service  
  (Effective April 16, 2000)

- **Life Insurance**
  
  Increased by .5 annual salary  
  (Effective April 16, 2000)

- **Professional Growth Allowance**
  
  The City will provide an additional compensation of 2.5% upon completion of twelve (12) continuous years of service  
  (Effective January 1, 2002)

- **PERS 5% Annual Cost of Living Allowance Increase**
  
  The City will make application to PERS to provide California Government Code Section 21335 (5% Annual Cost of Living Allowance Increase) as an additional PERS benefit  
  (Effective January 1, 2003)

- **Uniform Allowance**
  
  Uniform allowance adjustment to equalize with supervised classifications  
  (Effective April 16, 2000)

  Additional $50 uniform allowance  
  (Effective January 1, 2004)

  Additional $50 uniform allowance  
  (Effective January 1, 2006)

  Additional $50 uniform allowance  
  (Effective January 1, 2008)

- **Dental**
  
  Additional $200 dental  
  (Effective January 1, 2005)

  Additional $200 dental  
  (Effective January 1, 2008)
CITY OF STOCKTON

MID-MANAGEMENT/SUPERVISORY LEVEL
MEMORANDUM OF UNDERSTANDING

The Stockton Mid-Management/Supervisory Level bargaining unit and representatives of the City of Stockton have met and conferred in good faith regarding wages, hours and other terms and conditions of employment of employees employed in the representation unit identified in Section 1, 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-Milius-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 for salary and employee benefit adjustments for the period commencing April 16, 2000, and ending December 31, 2008.
<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Recognition</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>Association Security</td>
<td>2 - 5</td>
</tr>
<tr>
<td>3</td>
<td>Compliance with Federal Laws</td>
<td>6</td>
</tr>
<tr>
<td>4</td>
<td>Probation</td>
<td>6</td>
</tr>
<tr>
<td>5</td>
<td>Layoff</td>
<td>7 - 9</td>
</tr>
<tr>
<td>6</td>
<td>Reemployment</td>
<td>9 - 10</td>
</tr>
<tr>
<td>7</td>
<td>Discipline (Supervisory Level)</td>
<td>10</td>
</tr>
<tr>
<td>8</td>
<td>Grievance Procedure</td>
<td>10 - 14</td>
</tr>
<tr>
<td>9</td>
<td>Leaves</td>
<td>14 - 23</td>
</tr>
<tr>
<td>10</td>
<td>Days and Hours of Work</td>
<td>25</td>
</tr>
<tr>
<td>11</td>
<td>Overtime</td>
<td>24 - 25</td>
</tr>
<tr>
<td>12</td>
<td>Holidays</td>
<td>26</td>
</tr>
<tr>
<td>13</td>
<td>Compensation and Allowances Other Than Base Salary</td>
<td>27 - 31</td>
</tr>
<tr>
<td>14</td>
<td>Insurance Plans</td>
<td>32 - 34</td>
</tr>
<tr>
<td>15</td>
<td>Salary Plan</td>
<td>35 - 36</td>
</tr>
<tr>
<td>16</td>
<td>Separability of Provisions</td>
<td>37</td>
</tr>
<tr>
<td>17</td>
<td>Past Practices and Existing Memoranda of Understanding</td>
<td>37</td>
</tr>
<tr>
<td>18</td>
<td>Scope of Agreement</td>
<td>37</td>
</tr>
<tr>
<td>19</td>
<td>Duration of Agreement</td>
<td>37</td>
</tr>
<tr>
<td>20</td>
<td>Maintenance of Operations</td>
<td>38</td>
</tr>
</tbody>
</table>
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

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, hereinafter 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 Association Recognition

The City of Stockton Management B & C Employees Group, hereinafter referred to as "Association", is the recognized employee organization for the Mid-Management/Supervisory Level Bargaining Unit certified pursuant to Resolution No. 91-0014, adopted by the City Council on January 2, 1991.

Section 2. Association Security

2.1 Dues Deduction

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

Payroll deduction shall be for a specified amount and consistent for all employee members of the Association and shall not include fines, fees, and/or assessments.

Authorization, cancellation or modification of the payroll deduction shall be made upon forms provided or approved by the City. The payroll deduction authorized shall remain in effect until cancelled or modified by the employee by written notice to the City or until the first day of the calendar month following the transfer of the employee to a unit represented by another employee organization as the representative of the unit to which the employee is assigned, or until employment with the City is terminated.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Association 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 Association members who request it, premiums for group insurance and investment plans sponsored by the Association. Such deduction shall occur only upon signed authorization from the employee upon a form satisfactory to the City. Such authorization may be made or changed no more frequently than 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 withholding will be made to cover that pay period from future earnings 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 the period. In the case of an employee who is in a non-pay status during a part of the pay period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other required deductions have priority over the employee organization deduction.

(b) **Indemnity and Refund.** The Association shall indemnify, defend and hold the City harmless against any claim made and against any suit initiated against the City on the account of check-off of Association dues or premiums for benefits. In addition, the Association shall refund to the City any amounts paid to it in error upon presentation of a written document demonstrating the error.

2.2 **Use of City Facilities**

The Association 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 Association business, such as times and places of meetings, provided such use does not interfere with the needs of the department.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

Any representative of the Association shall give notice to the department head or his designated representative when contacting department employees on City facilities during the duty period of the employees, provided that solicitation for membership or other internal Association business shall be conducted during the non-duty hours of all employees concerned. Prearrangement for routine contact may be made with the individual department heads and when made shall continue until revoked by the department heads.

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

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

2.3 **Advanced Notification**

Except in cases of emergency, reasonable advance written notice shall be given to the Association if related to matters within the scope of representation proposed to be adopted by the City and shall be given the opportunity to negotiate, if requested, with the designated management representatives prior to adoption.

In cases of emergency when the foregoing procedure is not practical or in the best public interest, the City may adopt or put into practice immediately such measures as are required. At the earliest practical date thereafter, the Association 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 Association 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.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

The use of official time for this purpose shall be reasonable and shall not interfere with the performance of City services as determined by the City. 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) employees.

2.5 Maintenance of Membership

(a) Association membership is not a mandatory condition of employment for any employee covered by this Agreement. However, any employee covered by this Agreement, who is an Association member on or after the date of this Agreement is ratified by the Association membership, shall continue to pay to the Association those dues or fees regularly charged members of the Association in good standing for the life of this Agreement.

(b) Every employee who is a member of the Association shall have the right to withdraw from membership no sooner than 120 days or no later than 60 days of the expiration date of this Agreement, as contained in Section 19 Duration of Agreement. An employee who has properly withdrawn membership as provided herein shall not be subject to the provisions of this Section.

(c) Upon return from leaves of absence, the City shall reinstate the payroll deduction of Association dues for those employees who are on dues check-off immediately prior to taking leave, provided that the employee has not authorized cancellation of dues check-off in accordance with the prescribed provision or the Agreement under which they were a member has not expired.

(d) Enforcement of this Section shall be the responsibility of the Association, utilizing appropriate civil procedures.
Section 3. Compliance with Federal Laws

3.1 Non-Discrimination

The City and the Association agree that there shall be no discrimination of any kind because of race, creed, color, religion, national origin, sex, disability, political affiliation or legitimate Association activity against any employee or applicant for employment; and to the extent prohibited by applicable State and Federal law there shall be no discrimination because of age.

The Association shall cooperate with the City in the objectives of Affirmative Action as defined by Federal and State regulations.

Section 4. Probation

4.1 Supervisory Level

Original and promotional appointments shall be tentative and subject to a probationary period of six (6) months. The probationary period shall not be extended.

4.2 Mid-Management Level

All Mid-Management Level positions are considered to be salaried employees. They do not have Civil Service status. Employment and separation of employment will be consistent with State Law.

4.3 Retention/Rejection of Probationer

During the probationary period a Mid-Management/Supervisory level employee may be rejected at any time by the appointing authority. Any supervisory or former supervisory level employee rejected during the probationary period following a promotional appointment, shall be reinstated to the position from which he/she was promoted unless charges are filed and he/she is discharged in the manner provided in the City Charter XXXII, Section 9.
Section 5. Layoff

5.1 Layoff

Any employee may be laid off by an appointing authority in the event of the abolition of the employee's position by the City Council, or if a shortage of work or funds requires a reduction in personnel.

5.2 Layoff Scope

(a) Layoffs shall be within the departments of the City.

(b) The departments of the City that have employees represented by this Agreement are defined as follows:

(1) City Clerk
(2) Community Development
(3) Finance
(4) Fire
(5) Housing and Redevelopment
(6) Library
(7) Management Information Services
(8) Municipal Utilities
(9) Parks and Recreation
(10) Police
(11) Public Works

5.3 Notice of Layoff

The City will give advance written notice of at least one pay period to employees who will be laid off.
5.4 Precedence by Employment Status

No permanent employee shall be laid off while employees working in an extra help, 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:

(a) extra help  (c) temporary
(b) provisional   (d) probationary

Layoffs shall be by job classification according to service in that class, except as specified above. For the purpose of this procedure, part-time classes shall be considered as separate from regular full-time classes.

The following provisions shall apply in computing total continuous service:

(a) Time spent on military leave shall count as service in the event the leave was taken subsequent to entry in the department.

(b) Time worked in an extra help, provisional, temporary, grant or other limited term status shall not count as service.

(c) Time worked in a permanent or probationary status shall count as service.

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

5.5 Employee Options

Employees laid off shall have any of 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 Personnel Services as having the least seniority in that classification. This option shall be exercised before any other option.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

(b) Taking a voluntary demotion within the department to a classification in which the employee had prior permanent status, thus displacing the employee who has the least seniority in that classification. Employees who exercise this option shall be placed on a permanent eligibility list for reinstatement to the higher classification. Ranking on the reinstatement list shall be by the employee's seniority in the higher classification. All employees on the list, who are still employed by the City of Stockton, shall be reinstated to the higher classification before any new promotions can be made to that classification.

(1) If the employee is in a probationary status in the higher classification, the probationary status shall resume upon reinstatement with full credit for previous time served in that classification.

5.6 Health and Welfare Benefits During Layoff

Permanent employees who are laid off will have an option of maintaining their existing health and welfare benefits for thirty-six (36) months (the thirty-six (36) months runs concurrently with any COBRA benefits) from the date of layoff, provided timely payments of the premiums by the employee are made to the City, according to City regulations, and provided the employee otherwise meets the requirements of Federal and State regulations.

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 and is ready to report for duty when a position is open, the City shall cause the name of such employee to be placed on 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 by seniority, which means "last laid off, first rehired."
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

In filling vacancies, eligibles on the reemployment lists take precedence over eligibles on any other list for the same class 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 provided the City Charter provisions and any applicable provisions of law are followed. The Supervisory Level employee may take any one (1) of the following actions:

(a) File no grievance.

(b) File a grievance as provided for in Section 8.1 within ten (10) business days of written notification of the action.

(c) File an appeal within ten (10) business days of written notification of the action with the Civil Service Commission as appropriate for Supervisory Level employees.

If the employee fails to do (a) (b) or (c) above within the prescribed time frame, these rights will have been waived.

Section 8. Grievance Procedure

8.1 Definition

A grievance is any dispute which involves the interpretation or application of the Memorandum of Understanding or appropriate disciplinary action (Supervisory Level employees only) in lieu of a Civil Service Commission appeal.
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 Personnel Services within ten (10) business days of the time in which the affected employee received written notification of such action. All other grievances must be filed within thirty (30) calendar days from the time the employee knew or had reason to know of the facts giving rise to the grievance.

8.3 Grievance Processing

(a) Step 1 - Departmental Review. Any employee claiming to have a grievance may discuss the complaint with such management official in the department where employed as the department head may designate. If the issue is not resolved within the department within ten (10) business days from the day of presentation or if the employee elects to submit the grievance directly to the Association recognized as the representative of that employee’s classification, the procedures hereinafter specified may be invoked.

(b) Step 2 - Director of Personnel Services Review. If the employee is not satisfied with the response at Step 1, then the employee may appeal the grievance to the Director of Personnel Services within ten (10) business days of the receipt of written response at Step 1. Such appeal must state with particularity; 1) the specific policy, rule or provision which is alleged to have been violated; 2) the statement of facts comprising the violation; and 3) the requested remedy. The Association may file and process grievance(s) on behalf of the specifically named employee.

The Director of Personnel Services shall have twenty (20) business days in which to review the issues and respond to the appeal. No grievance may be processed under the following two (2) paragraphs, which has not first been filed and reviewed in accordance with this paragraph unless the Director of Personnel Services fails to respond within the time limit.
(c) **Step 3 -** The parties may mutually agree to the use of this Step prior to proceeding to Step 4, Arbitration. Either party may with written notice within ten (10) business days of the decision of Step 2, request Step 3. Upon mutual agreement of Step 3, the City will request a representative from the State of California Mediation/Conciliation Service to review the grievance and make non-binding recommendations to assist the parties in resolving the grievance. The State Mediator will not provide any written documents and is limited to the restriction in Labor Code Section 65 and Attorney General opinions 51/183 and 68/77.

(d) **Step 4 - Arbitration.** If the grievant or the Association is dissatisfied with the response at Step 2 or Step 3, if used, or if the Director of Personnel Services fails to respond within the time limit in Step 2, the grievance may be moved to Step 4 within twenty (20) business days. The grievance will be referred to an arbitrator mutually selected by the parties, or, if the parties are unable to mutually agree from a list of seven (7) arbitrators provided by the State of California Mediation/Conciliation Service, the arbitrator shall be chosen by the alternative strike method, with first choice being determined by lot. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by the Association 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 hereto except as provided otherwise 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 Association and unless such dispute falls within the definition of a grievance as set forth in paragraph 8.1.
Proposals to add to or change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be arbitrated 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. No arbitrator selected pursuant to this section shall have the power to amend or modify this Memorandum of Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.

No change 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 Association.

8.5 Other Provisions

If the Director of Personnel Services in pursuance of the procedures outlined above resolve a grievance which involves suspension or discharge, he/she 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 judgement for the judgement of Management and if he finds that the City had such right, he 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 department at Step 1. Only complaints which 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 thirty (30) days from the date upon which the complaint was filed.

The provisions of this Section shall not abridge any right to which an employee may be entitled under the City Charter, nor shall it be administered in a manner, which would abrogate any power, which may be within the sole province and discretion of the Civil Service Commission. Reference to Civil Service Commission is limited to Supervisory Level employees.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

All grievances of employees in the representation unit represented by the Association shall be processed under this Section. If the City Charter requires that differing options 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 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 Personnel Services will recommend to the City Council or the Civil Service Commission, as appropriate, that it follow such award.

Section 9. Leaves

9.1 Vacation - Mid-Management Level

(a) The vacation plan for Mid-Management Level employees shall provide for a flat annual allowance, a maximum carry-over limit and a sell-back provision.

(b) Mid-Management Level employees shall, on July 1, of each year, receive a vacation allowance, which shall be the employee's vacation entitlement for the fiscal year.

(c) Mid-Management Level employees shall receive twenty (20) days and an additional five (5) days for City service after fifteen (15) years and up to twenty-five (25) years.

(d) Mid-Management Level employees shall receive one (1) additional day vacation allowance per year for each year of service beyond twenty-five (25) years of service.

(e) Mid-Management Level employees shall be granted a maximum carry-over of one (1) previous year's vacation allowance plus fifteen (15) days as of June 30, of any year.
Mid-Management Level employees may carry-over vacation time in excess of the maximum allowance mentioned above when such vacation remains because of being in a pay status during a period of illness or injury which precluded liquidating vacation credits earned in excess of the maximum allowed.

Mid-Management Level employees are allowed a maximum sell-back not to exceed designated unused vacation per year. Mid-Management employees may sell back ten (10) days per year. To qualify for this sell-back benefit, an employee must have used, either in the preceding or current fiscal year, an equivalent number of vacation days to the number of sell-back days.

9.2 Vacation - Supervisory Level

The vacation plan for Supervisory Level employees shall provide for a flat annual allowance, a maximum carry-over limit and a sell-back provision.

Supervisory Level employees shall, on July 1, of each year, receive a vacation allowance, which shall be the employee’s vacation entitlement for the fiscal year.

Supervisory Level employees with five (5) years or less service on July 1, each year, receive fifteen (15) days and an additional five (5) days for City service after five (5) years of service, and an additional five (5) days for service after fifteen (15) years and up to twenty-five (25) years.

Supervisory Level employees shall receive one (1) additional day vacation allowance per year for each year of service beyond twenty-five (25) years of service.

Supervisory Level employees shall be granted a maximum carry-over of one (1) previous year’s vacation allowance plus fifteen (15) days as of June 30, of any year.

Supervisory Level employees may carry-over vacation time in excess of the maximum allowance mentioned above when such vacation remains because of being in a pay status during a period of illness or injury which precluded liquidating vacation credits earned in excess of the maximum allowed.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

(g) Supervisory Level employees are allowed a maximum sell-back not to exceed designated unused vacation per year. Supervisory Level employees may sell back ten (10) days per year. To qualify for this sell-back benefit, an employee must have used, either in the preceding or current fiscal year, an equivalent number of vacation days to the number of sell-back days.

9.3 Sick Leave

(a) **Accrual.** All regular employees, except provisional, temporary and extra-help employees, each shall accrue sick leave at the rate of ten (10) hours for full month of service. All regular employee, except provisional, temporary and extra-help employees, working less than a full month shall 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, which the employee would normally have worked, to a maximum of sick leave hours accrued.

An employee may use sick leave for preventive medical, dental, optical care, 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, 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 department head, to the time reasonably required to make other arrangements for such care.

For the purpose of this Section, such sick leave 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.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

(d) **Procedures for Requesting and Approving Sick Leave.** When the requirement for sick leave is known to the employee in advance of his/her absence, the employee shall request authorization for such sick leave from the department head prior to such absence. In all other instances, the employee shall notify his/her supervisor as promptly as possible of his/her absence.

Before an employee may be paid for the use of accrued sick leave, he/she shall complete and submit to his/her department head a signed statement, on a prescribed form, stating 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 department head.

(e) **Doctor's Certificate or Other Proof.** If an employee's illness results in an absence from work for more than three (3) consecutive days, then a doctor's certificate or other reasonable proof of illness may be required by the department head.

The department head and the Director of Personnel Services 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) **Payment for Unused Sick Leave.** Upon separation with ten (10) years or more of employment; or upon termination of employment by reason of death, 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.
9.4 Other Leaves With Pay

(a) Bereavement Leave. In the event of a death in the immediate family of an employee, he/she shall, upon request be granted up to three (3) days bereavement leave with pay 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 time is required to attend the funeral. For the purposes of this paragraph, the 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 bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits.

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

Said absence 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 a defendant, including necessary travel time. As a condition of receiving such full pay, the employee must remit to the City through the employee's department head, within fifteen (15) days after receipt of all fees received except those specifically allowed for mileage and expenses.
Jury duty or witness duty appearances shall be considered as time in court. Upon being excused from court, an employee must return to work if he/she has two (2) or more hours remaining on his/her work schedule. Employees serving on jury duty during their normally scheduled days or hours off shall be granted an equivalent number of hours off during their normal week as scheduled by the supervisor. The noticed supervisor shall monitor the hours of jury duty or witness duty attendance and ensure that said hours are considered as time worked.

Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City through the employee's department.

Notwithstanding the foregoing, attendance in court in connection with an employee's official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is not a party, together with travel time necessarily involved, shall not be considered absent from work within the meaning of this Section.

(c) Military Leave. An employee of the City who is a member of the National Guard or Naval Militia or a member of 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.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

All regular employees in the service of the City shall be allowed leave of absence without pay for the duration of a national emergency 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. Said employees shall be reinstated in the service, except as hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

All probationary employees inducted into the Military Service not having served the minimum probationary period of six (6) months, shall be allowed leave of absence without pay for the duration of a national emergency, but 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 the status of a regular employee.

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

9.5 Workers' Compensation Leave

Whenever any member of this unit, 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 a 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 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.
9.6 Leave of Absence

Employees shall not be entitled to leave of absence as a matter of right, but only in accordance with the provisions of law and the City of 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 department head 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 hereinafter.

The entitlement to City payment of premium 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 plan by prepayment of the monthly premium during the authorized leave of absence.

Authorized absence without pay which 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 adjustment.

9.7 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 this Section.

An appointing authority may grant leave of absence without pay for personal reasons up to a maximum of twelve (12) months with approval of the Director of Personnel Services.
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 approval of the Director of Personnel Services. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, 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 Leave of Absence Without Pay. In order to receive leave without pay, an employee must submit a request on the prescribed form to his/her department head and the City Manager describing the reasons for the request and all other information required for the department head, or his/her representative, to evaluate the request. Leaves without pay may be cancelled by the department at any time.

9.8 Absence Without Official Leave (AWOL)

(a) Refusal of Leave 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 cancelled 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 consecutive days or absent an aggregate of sixteen (16) hours in any calendar month without a satisfactory explanation shall be deemed to have voluntarily resigned from the City of Stockton, except if the absence is due to a verified illness or injury.

9.9 Paternal/Adoption Leave

Upon verification of childbirth an employee shall be granted a six (6) week leave of absence, without pay, upon request. An employee may combine, but shall not be required to combine any paid annual leave time with unpaid leave. In no circumstance may such leave exceed a total of six (6) weeks, unless otherwise approved by the employee’s department head and Director of Personnel Services.
Upon verification of adoption of a newborn or preschooler an employee shall be granted a six (6) week leave of absence, without pay, upon request. An employee may combine, but shall not be required to combine any paid annual leave time with unpaid leave. In no circumstance may such leave exceed a total of six (6) weeks, unless otherwise approved by the employee’s department head and Director of Personnel Services.

9.10 Maternity Leave

Time off the job for pregnancy, childbirth, and related medical conditions will be covered as required by State and Federal Law and City policy consistent herewith. Employees may use sick, leave without pay, LTD, 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.

Section 10. Days and Hours of Work

10.1 Workweek

The workweek and hours of work are determined solely by the City. The normal workweek for employees in this unit shall consist of five (5) eight (8) hour days or a minimum total of forty (40) hours. Where needs of a department require deviations (as determined by the Department Head) from the present schedule, the Department Head may institute alternate work schedules.

The department will (except in emergency situations) provide a ten (10) working day notice (prior to implementation) of any workweek and/or hours changes.
Section 11. Overtime

11.1 Eligibility

Mid-Management Level employees do not receive overtime. Mid-Management Level employees in this unit are salaried employees who work whatever time necessary to accomplish duties of their assigned position.

Supervisory Level employees will receive overtime at the appropriate rate when authorized in writing by the Department Head prior to the overtime worked.

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 excess of their normal work schedule. For the purpose of this Section, Compensatory Time shall apply only to Supervisory Level employees.

(b) Accrual. For hours in excess of forty (40) hours in a seven (7) day work period, for which the employee is in a paid status, Compensatory Time may be earned at the rate of time and one-half (1 1/2).

(c) Use. Use of Compensatory Time shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of City business. Approval of requests for use of Compensatory Time shall be at the sole discretion of the department head, but once approved, cannot be changed unless an emergency situation arises.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

(d) Payment. Once one hundred (100) hours of Compensatory Time is accrued on the books, all other hours worked in excess of forty (40) hours in a seven (7) day work period will automatically be paid. At the end of each calendar year, all Compensatory Time will be carried forward (forty (40) hours maximum), unless the employee elects to have the compensatory balance paid. Carryover Compensatory Time cannot exceed the forty (40) hours maximum.

Any Compensatory Time balance in excess of forty (40) hours remaining at the end of calendar year will automatically be paid.

11.3 Call Back

(a) Supervisors called back to work shall be compensated at least two (2) hours and forty-five (45) minutes pay at time and one half (1 1/2) times his/her hourly rate of pay or for all time actually worked at time and one half (1 1/2) times his/her hourly rate of pay, which ever is greater.

(b) To be eligible for call back pay, both of the following conditions must be met: 1) the call back must occur outside of the employee’s regular work hours including overtime, 2) the call back time worked must not be contiguous to the employee’s regular work hours including overtime.

11.4 On-Call Duty

Supervisors only who are directed to remain on call on their normal days off shall be paid at the rate of four (4) hours pay at regular time for each 24 hours of on-call service plus one and one-half (1 1/2) time for all time which said supervisors are required to work during such assignment. On-call periods of less than 24 hours shall be prorated to the equivalent of four (4) hours pay at regular time.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

Section 12. Holidays

Holidays Observed by the City: (Mid-Management/Supervisory Level Employees)

(1) January 1 ..................................................... New Year’s Day
(2) Third Monday in January ...................................... Martin Luther King Jr’s., Birthday
(3) Second Monday in February ...................................... Lincoln's Birthday
(4) Third Monday in February ...................................... Washington’s Birthday
(5) *March 31 (float day within 90 work days) ......................... Cesar Chavez Day
(6) Last Monday in May .................................................. Memorial Day
(7) July 4 ..................................................................... Independence Day
(8) First Monday in September ........................................... Labor Day
(9) Second Monday in October .......................................... Columbus Day
(10) November 11 ........................................................... Veteran's Day
(11) Fourth Thursday in November ..................................... Thanksgiving
(12) Fourth Friday in November ....................................... Day After Thanksgiving
(13) December 25 ............................................................ Christmas Day
(14) Employee’s Birthday

In addition, a day appointed by the President or Governor, as a public holiday shall be observed if adopted by the Stockton City Council.

*In the event a day appointed by the President or Governor as a public holiday is not adopted by the Stockton City Council pursuant to the above paragraph, the City Manager may, at his discretion, determine that certain City employees will be not be required to work that day, but that certain City offices will remain open at a minimal staffing level. If the City Manager makes such a determination, such staffing shall be at the discretion of the Department Head. Employees who are required to work on that day will earn a "float" day off, to be taken at a time approved, in advance, by the Department Head. The "float" day off must be taken within ninety (90) workdays from the date of the minimally staffed workday. Employees not regularly scheduled to work on that date will have an equivalent number of hours added to their vacation accrual balance.

Birthday Holiday Leave. The department head with due consideration for the wishes of the employee may authorize the birthday holiday to be taken within sixty (60) calendar days after the employee’s birthday.

CITY OF STOCKTON

26
Section 13. Compensation and Allowances Other Than Base Salary

13.1 Retirement Contribution Supplement

The City will pay seven percent (7%) of the Mid-Management/Supervisory Level employees' current base salary and other compensation as qualified by State law towards the Public Employees' Retirement System (P.E.R.S.). Such amounts will be applied to the employee's individual account in accordance with P.E.R.S. California Government Code Section 20815.

The City's P.E.R.S. retirement plan is modified to reflect two percent (2%) at age 55, effective January 1993.

The City will provide military service credit pursuant to the provisions of P.E.R.S. California Government Code Section 20930.3 and Section 20930.33, at the employee's expense, upon adoption by Stockton City Council and P.E.R.S. Administration Board.

The City will make application to provide P.E.R.S. California Government Code Section 20615.5 (Employer Paid Member Contributions Converted to Payrate During the Final Compensation Period) as added P.E.R.S. benefits. At the beginning of employee’s last year of employment, the employee will pay their employees' seven percent (7%) benefit cost through an automatic payroll deduction. The City will increase the base salary for those employees by the same seven percent (7%) for the last twelve (12) months of employment. Internal Revenue Service (IRS) Code 414H(2) will be concurrently implemented with P.E.R.S. California Government Code Section 20615.5, effective upon adoption by the Stockton City Council and P.E.R.S. Administration Board.

The City will make application to provide P.E.R.S. California Government Code Section 20965 (Credit for Unused Sick Leave) as added P.E.R.S. benefits, to be effective upon adoption by the Stockton City Council and P.E.R.S. Administration Board.

Effective January 1, 1998, the City will make application to provide P.E.R.S. California Government Code Section 21382.5 (Fourth Level of 1959 Survivor Benefits) as added P.E.R.S. benefits, to be effective upon adoption by the Stockton City Council and P.E.R.S. Administration Board.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

The City will make application to provide PERS California Government Code Section 21335 (5% Annual Cost of Living Allowance Increase) as added PERS benefits, to be effective upon adoption by the Stockton City Council and PERS Administration Board. The intended implementation date base year will be 2001. The first application date will be April 21, 2003.

13.2 Uniform Allowance

(a) Police and Fire (non-sworn) employees in this unit occupying the following position(s) shall receive as an additional annual compensation of a uniform allowance in the amount indicated. One-half (1/2) of the annual value of the uniform allowance shall be paid to eligible employees during the months of April and October.

Effective April 16, 2000, the employees in the following classifications shall be paid uniform allowance as indicated below:

- Animal Control Supervisor: $550
- Fire Telecommunications Supervisor: $500
- Police Telecommunications Supervisor: $500
- Sr. Police Telecommunications Supervisor: $500
- Supervising Evidence Technician: $550
- Supervising Police Records Assistant: $500

The City shall increase the amount contributed for uniform allowance to the above classifications by FIFTY DOLLARS ($50.00) effective January 1, 2004, an additional FIFTY DOLLARS ($50.00) effective January 1, 2006, and an additional FIFTY DOLLARS ($50.00) effective January 1, 2008.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

(b) Safety Protective Footwear Reimbursement. Effective January 1, 1997, employees required to wear safety protective footwear in accordance with City Manager’s Administrative Directive PER-034, and approved for safety protective footwear reimbursement, the City will authorize safety protective footwear reimbursement in the amount of ONE HUNDRED TEN DOLLARS ($110.00). Effective January 1, 1998, an additional TEN DOLLARS ($10.00) for a total of ONE HUNDRED TWENTY DOLLARS ($120.00); effective January 1, 1999, an additional TEN DOLLARS ($10.00) for a total of ONE HUNDRED THIRTY DOLLARS ($130.00); effective January 1, 2000, an additional TEN DOLLARS ($10.00) for a total of ONE HUNDRED FORTY DOLLARS ($140.00); effective January 1, 2001, an additional TEN DOLLARS ($10.00) for a total of ONE HUNDRED FIFTY DOLLARS ($150.00), and effective January 1, 2002, an additional TEN DOLLARS ($10.00) for a total of ONE HUNDRED SIXTY DOLLARS ($160.00).

13.3 Public Employees’ Retirement System (P.E.R.S.)

The City shall contribute an amount required by the Public Employees’ Retirement System (P.E.R.S.) to retain the present Retirement Program.

13.4 Deferred Compensation

(a) Mid-Management/Supervisory Level employees will receive Deferred Compensation as a supplement to voluntary Deferred Compensation plans.

(b) Mid-Management Level employees will receive three and one-half percent (3 1/2%) of annual salary in Deferred Compensation.

Effective January 1, 1997, the City will contribute an additional one-half percent (.5%) for a total of four percent (4%); effective January 1, 1998, an additional one-half percent (.5%) for a total of four and one-half percent (4.5%); effective January 1, 1999, an additional one-half percent (.5%) for a total of five percent (5%); effective January 1, 2000., an additional one-half percent (.5%) for a total of five and one-half percent (5.5%).
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

(c) Supervisory Level employees will receive two and one-half percent (2 1/2%) of annual salary in Deferred Compensation.

Effective January 1, 1997, the City will contribute an additional one-half percent (.5%) for a total of three percent (3%); effective January 1, 1998, an additional one-half percent (.5%) for a total of three and one-half percent (3.5%); effective January 1, 1999, an additional one-half percent (.5%) for a total of four percent (4%); effective January 1, 2000, an additional one-half percent (.5%) for a total of four and one-half percent (4.5%).

Effective April 16, 2000, the City's obligation to make a deferred compensation contribution in the employees' names above and beyond employees' voluntary contributions shall cease. Instead, the value of this deferred compensation benefits payable as of January 1, 2000, shall be paid directly to employees as base pay. Employees may elect to defer the amount of additional pay that would be received pursuant to this section by directly that the total amount or any portion thereof, be deposited in or distributed among any of the City's deferred compensation plans.

In no event will the total employee contribution exceed that amount allowed by law.

13.5 Physical Examination

Mid-Management Level employees may schedule a physical examination annually. Cost of the examination, not to exceed ONE HUNDRED FIFTY DOLLARS ($150), will be paid by the City of Stockton.

Supervisory Level employees may schedule a physical examination annually. Cost of the examination, not to exceed ONE HUNDRED DOLLARS ($100), will be paid by the City of Stockton.
13.6 **Mileage Reimbursement for Private Vehicle Use**

Mid-Management/Supervisory Level employees who use their own vehicle on City business on a consistent and repetitive basis will be compensated at the current Internal Revenue Service (IRS) rate and in accordance with the City Manager's Administrative Directive, MAN-016, Section III. B.

13.7 **Educational Incentive Pay**

Effective April 16, 2000, Educational Incentive Pay shall be available for employees hired after April 16, 2000, who have completed twelve (12) months of continuous employment.

Employees with degrees/diplomas above and beyond that is required of their position shall be provided 3% of the top step of the position. Employees are limited to no more than 3% regardless of the number of degrees/diplomas above that required of the position. If the employee promotes to a position, which matches his/her diploma/degree, the 3% will no longer be paid. Experience may not substitute for education. Other formal education/training programs may substitute for the actual degree/diploma.

For employees in a classification requiring a Masters degree, those employees who possess double Masters will be eligible for three percent (3%) education incentive pay.

13.8 **Professional Growth**

Effective January 1, 2002, the City shall pay each employee who completes twelve (12) continuous years of service with the City, two and one-half percent (2.5%) of the top salary step of the employee’s pay range to the employee as a professional growth.
Section 14. Insurance Plans

14.1 Health and Welfare Benefits

The City will provide Mid-Management/Supervisory Level employees with a comprehensive health, dental/orthodontic, vision and prescription insurance program, as designated by the City of Stockton. The premiums for these coverages for employees and their eligible dependents shall be paid by the City for the term of this Memorandum of Understanding.

Effective July 1, 1993, the medical plan is the City's Modified Employee Medical Plan.

Effective January 1, 1997, the City will continue the above-stated medical coverage benefits for spouse and eligible dependents upon the death of an employee while employed with the City of Stockton. At age sixty-five (65), the spouse's City medical coverage shall be secondary (supplemental) to Medicare.

Effective January 1, 1997, the orthodontic benefits coverage will increase from ONE THOUSAND DOLLARS ($1,000.00) to TWO THOUSAND DOLLARS ($2,000.00) lifetime maximum.

Effective January 1, 2005, an additional TWO HUNDRED DOLLARS ($200.00) will be added to the annual dental maximum for a total of ONE THOUSAND TWO HUNDRED DOLLARS ($1,200.00).

Effective January 1, 2008, an additional TWO HUNDRED DOLLARS ($200.00) will be added to the annual dental maximum for a total of ONE THOUSAND FOUR HUNDRED DOLLARS ($1,400.00).
14.2 **Group Life Insurance Coverage**

Each participant in the program will receive group life insurance coverage paid for by the City of Stockton.

**Mid-Management Level** employees will receive life insurance coverage equal to one and one-half times their annual salary. In all instances, coverage will be rounded to the nearest ONE THOUSAND DOLLARS ($1,000). This increased benefit will be implemented during the term of this Agreement (no later than October 31, 1991).

Effective January 1, 1997, Mid-Management Level employees will receive an additional fifty percent (50%) life insurance coverage. The life insurance coverage will be two and one-quarter (2.25) times their annual salary.

Effective April 16, 2000, Mid-Management Level employee's life insurance coverage will be two and three-quarter (2.75) times their annual salary.

**Supervisory Level** employees will receive life insurance coverage equal to their annual salary. In all instances, coverage will be rounded to the nearest ONE THOUSAND DOLLARS ($1,000).

Effective January 1, 1997, Supervisory Level employees will receive an additional fifty percent (50%) life insurance coverage. The life insurance coverage will be one and one-half (1.5) times their annual salary.

Effective April 16, 2000, Supervisory Level employee's life insurance coverage will be two (2) times their annual salary.

14.3 **Long Term Disability Insurance Coverage**

Mid-Management/Supervisory Level employees will receive long term disability insurance coverage. Essentially, this is an income protection plan, which provides disability income for Mid-Management/Supervisory Level employees including:

(a) Each disability - approximately 66 2/3% of salary.

(b) A 30-day waiting period before eligibility for benefit.

(c) Benefit payable until age sixty-five (65).
14.4 Retirement Medical Allowance

(a) The City will contribute all premiums necessary 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 shall be determined by the eligible date noted below.

(1) Normal Service Retirement

Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to April 1, 1983, and who have retired at age fifty (50) or later. Such allowance shall terminate at age sixty-five (65).

(2) Disability Retirement

Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to April 1, 1983, and such allowance shall be limited to a maximum of fifteen (15) years or the attainment of age sixty-five (65), whichever occurs first.

(b) Major Medical Deductible

The major medical deductible will be ONE HUNDRED DOLLARS ($100) per person for those individuals who retired prior to January 1, 1993, and had retiree medical coverage under the original City Employee Medical Plan.

(c) Prescription Coverage

Prescription coverage will be provided for retirees.

(d) Supplemental Medical Coverage

At age sixty-five (65) the retiree medical allowance terminates and the employee is covered by Medicare. At age sixty-five (65) the retiree medical coverage shall be continued on a coordinated basis reduced by any amounts paid by Medicare.
Section 15. Salary Plan

15.1 Salary Ranges

The salary ranges for all employees in the aforementioned representation unit will be as set forth in Appendix A, which is attached hereto and made a part hereof. All salaries hereby established and explained in other parts of this Section shall be salaries as fitted to the City of Stockton’s standard salary schedule matrix. The rate of pay set forth in Appendix A represents for each classification the standard rate of pay for full-time employment, unless the schedule specifically indicates otherwise.

15.2 Salary Equivalents

Any monthly, daily or hourly rate of pay may be converted into any equivalent rate of pay or to any other time base only when in the judgement of the City Manager, such a conversion is advisable. In determining equivalent amounts on different time basis, the City shall provide tables or the 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.

15.3 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.

15.4 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.
15.5 **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 range of the higher rank which is at least five percent (5%) above the rate the employee has been receiving, except that the next 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 class to which demoted.

15.6 **Salary On Reinstatement**

If a former employee is reinstated in 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.

15.7 **Acting Pay**

An 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 after five (5) days, 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.

The increased rate of pay will commence with the first day of the assignment; however, to qualify the employee must meet the above conditions before being eligible for Acting Pay.

15.8 **Salary Adjustments**

The City recognizes that there may be a need for special salary adjustments for selected classifications as a result of recruitment problems, reclassifications, and/or organizational changes. The City, in its sole discretion, may make such adjustments, but agrees to discuss with the Mid-Management/Supervisory Level Unit.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)


In the event that any provisions of this Memorandum of Understanding are declared by the 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. Past 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.

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.

Section 19. Duration of Agreement

All provisions of this Memorandum of Understanding shall be effective April 16, 2000, shall remain in full force and effect to and including the 31st day of December, 2008, and shall continue thereafter from year to year unless at least sixty (60) days prior to the expiration date of January 2009, 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 Association and each employee represented thereby agrees that from 12:01 a.m. of April 16, 2000, through and inclusive of December 31, 2008, the Association or any person acting in its behalf, or each employee in a classification represented by the Association shall not cause, authorize, engage in, encourage, or sanction a work stoppage, slowdown, 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. The City may take other action, which 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 Association, the City may take such remedial action, as it deems appropriate.

(d) The Association recognizes the duty and obligation of its representatives and members to comply with the provisions toward inducing all employees in this unit to fully and faithfully perform their duties. In the event of any activity prohibited by subsection (a) hereinabove, the Association agrees to take supererogatory steps necessary to assure compliance with this Memorandum of Understanding.

(e) The rights of the City as set forth in Section 5 of Resolution No. 32,538, dated August 4, 1975, are incorporated herein by reference.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

IN WITNESS WHEREOF the parties hereto have executed this Memorandum of Understanding this 1st day of May 2000.

EMPLOYEE REPRESENTATION SERVICES, INC.

MAY PROSSER-STRONG
LABOR REPRESENTATIVE

VICTORIA BRAND
PRESIDENT

ROBERT APPELOGATE
BOARD MEMBER

DAN DAVIS
BOARD MEMBER

ROBERT EVANS
BOARD MEMBER

DOUG JONES
BOARD MEMBER

KENDRA STOCKWELL
BOARD MEMBER

CITY OF STOCKTON

DWANE MILNES
CITY MANAGER

GÉORGE F. BIST, DEPUTY DIRECTOR/EMPLOYEE RELATIONS OFFICER

LEHUA MACIAS
LABOR RELATIONS SECRETARY

APPROVED AS TO CONTENT:
DWANE MILNES, CITY MANAGER
BY: [Signature]
CITY MANAGER

APPROVED AS TO FORM:
RICHARD DENHALTER, CITY ATTORNEY
BY: [Signature]
CITY ATTORNEY
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

APPENDIX "A"

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2001

Effective January 1, 2001, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix.

Salary increases effective January 1, 2001, shall equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers United States City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g. CPI-W increase of nine percent (9%) would still result in a six percent (6%) increase).

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2002

Effective January 1, 2002, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix.

Salary increases effective January 1, 2002, shall equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers United States City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g. CPI-W increase of nine percent (9%) would still result in a six percent (6%) increase).

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2003

Effective January 1, 2003, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix.

Salary increases effective January 1, 2003, shall equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers United States City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g. CPI-W increase of nine percent (9%) would still result in a six percent (6%) increase).
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2004

Effective January 1, 2004, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix.

Salary increases effective January 1, 2004, shall equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers United States City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g. CPI-W increase of nine percent (9%) would still result in a six percent (6%) increase).

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2005

Effective January 1, 2005, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix.

Salary increases effective January 1, 2005, shall equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers United States City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g. CPI-W increase of nine percent (9%) would still result in a six percent (6%) increase).

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2006

Effective January 1, 2006, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix.

Salary increases effective January 1, 2006, shall equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers United States City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g. CPI-W increase of nine percent (9%) would still result in a six percent (6%) increase).

CITY OF STOCKTON
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2007

Effective January 1, 2007, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix.

Salary increases effective January 1, 2007, shall equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers United States City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g. CPI-W increase of nine percent (9%) would still result in a six percent (6%) increase).

SALARY ADJUSTMENTS FOR CALENDAR YEAR 2008

Effective January 1, 2008, the Salary Schedule shall provide salary rates and ranges according to the following formula as best fitted to the Stockton Salary Matrix.

Salary increases effective January 1, 2008, shall equal to eighty percent (80%) of the Consumer Price Index for Urban Wage Earners and Clerical Workers United States City Average (CPI-W), for the twelve (12) month period concluding with the November index of each preceding year. The salary increase shall be a minimum of two and one-half percent (2.5%) but not to exceed six percent (6%) (e.g. CPI-W increase of nine percent (9%) would still result in a six percent (6%) increase).
LETTER OF UNDERSTANDING
AMENDING THE MEMORANDUM OF UNDERSTANDING
BETWEEN
CITY OF STOCKTON
AND
STOCKTON MANAGEMENT B & C EMPLOYEES' GROUP

CONVERSION OF EXCESS VACATION CARRYOVER HOURS
TO SICK LEAVE HOURS

WHEREAS, the City of Stockton ("City") and the Stockton Management B & C Employees' Group representing Mid-Management/Supervisory Level employees are parties to a Memorandum of Understanding ("MOU") covering the period of April 16, 2000 through December 31, 2003, or until such time as a successor MOU is executed between the City and Stockton Management B & C Employees Group; and

WHEREAS, City and Stockton Management B & C Employees' Group desire to amend the MOU to provide employees an additional option for excess vacation carryover hours. The parties hereby agree that the MOU shall be modified and amended as follows:

Whenever an employee's accumulation of vacation hours exceeds the maximum vacation carryover provision, the equivalent number of hours that exceed the maximum vacation carryover provision will be automatically credited to the employee's sick leave accumulation balance at the end of the fiscal year. The vacation sell-back provision (cash payment option for vacation) shall remain in force and continue to be available as defined in the MOU.

Any dispute arising as to the interpretation or application of the provisions of this Letter of Understanding shall be resolved in accordance with the grievance provisions set forth in Section 9 of the MOU.

IN WITNESS WHEREOF, the parties hereto have executed this Letter of Understanding this 16th day of December, 2003.

STOCKTON MANAGEMENT B & C
EMPLOYEES' GROUP

ROBERT EVANS, President
Stockton Management B & C
Employees' Group

CITY OF STOCKTON, a municipal
corporation

MARK E. LEWIS, ESQ.
City Manager

TERRY PARKER, Director of Human
Resources

APPROVED AS TO FORM:
EMPLOYEE REPRESENTATION SERVICES

MAY PROSSER-STRONG
LABOR REPRESENTATIVE

APPROVED AS TO FORM:
JAYNE W. WILLIAMS, Interim City Attorney

LOIS WHITAKER, Deputy City Attorney
LETTER OF UNDERSTANDING
BETWEEN
CITY OF STOCKTON
AND
STOCKTON MANAGEMENT B & C EMPLOYEES' GROUP

ALTERNATIVE WORKWEEK SCHEDULE
ASPARAGUS FESTIVAL

WHEREAS, the City of Stockton ("City") and the Stockton Management B & C Employees' Group representing Mid-Management/Supervisory Level employees are parties to a Memorandum of Understanding ("MOU") covering the period of April 16, 2000 through December 31, 2008, or until such time as a successor MOU is executed between the City and Stockton Management B & C Employees Group; and

WHEREAS, City and Stockton Management B & C Employees' Group have met and conferred in good faith and desire to memorialize a Letter of Understanding ("LOU") relating to a regularly scheduled alternate workweek to accommodate City operational, staffing, and employee needs during the fourth week in April of each year as the City hosts the Asparagus Festival in the Stockton downtown area; and

WHEREAS, section 10.1 provides that the workweek and hours of work are determined solely by the City but that the normal workweek for employees in the unit shall consist of five (5) eight (8) hour days or a minimum total of forty (40) hours; and

WHEREAS, section 10.1 provides that when needs of a department require deviations from the present schedule, the Department Head may institute alternate work schedules; and

WHEREAS, the City wishes to revise the normal workday and workweek for the fourth week in April of each year for a flexible 40-hour weekly schedule for affected employees; and

NOW, THEREFORE, the parties hereby agree that the City and its employees shall elect and implement the following alternative workweek schedule. The parties also hereby agree that the alternative workweek schedule shall apply only to those affected employees occupying City government facilities within the designated footprint area of the Asparagus Festival.

**OPTION 1 - BASELINE WORK SCHEDULE**

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>7:30am-5:30pm</td>
<td>7:30am-5:30pm</td>
<td>7:30am-5:30pm</td>
<td>7:30am-5:30pm</td>
<td>7:30am-11:30am OR 8:00am-12:00pm</td>
</tr>
<tr>
<td>9-hours paid time</td>
<td>9-hours paid time</td>
<td>9-hours paid time</td>
<td>9-hours paid time</td>
<td>4-hours paid time</td>
</tr>
<tr>
<td>1-hour unpaid</td>
<td>1-hour unpaid</td>
<td>1-hour unpaid</td>
<td>1-hour unpaid</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:00am-5:30pm</td>
<td>8:00am-5:30pm</td>
<td>8:00am-5:30pm</td>
<td>8:00am-5:30pm</td>
<td>7:30am-11:30am OR 8:00am-12:00pm</td>
</tr>
<tr>
<td>9-hours paid time</td>
<td>9-hours paid time</td>
<td>9-hours paid time</td>
<td>9-hours paid time</td>
<td>4-hours paid time</td>
</tr>
<tr>
<td>1/2-hour unpaid</td>
<td>1/2-hour unpaid</td>
<td>1/2-hour unpaid</td>
<td>1/2-hour unpaid</td>
<td></td>
</tr>
<tr>
<td>Monday</td>
<td>Tuesday</td>
<td>Wednesday</td>
<td>Thursday</td>
<td>Friday</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-------------------------------</td>
<td>-------------------------------</td>
<td>-------------------------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>7:00am-6:00pm OR 8:00am-7:00pm</td>
<td>7:00am-6:00pm OR 8:00am-7:00pm</td>
<td>7:00am-6:00pm OR 8:00am-7:00pm</td>
<td>7:00am-6:00pm OR 8:00am-7:00pm</td>
<td>OFF DAY</td>
</tr>
<tr>
<td>10-hours paid time 1-hour unpaid</td>
<td>10-hours paid time 1-hour unpaid</td>
<td>10-hours paid time 1-hour unpaid</td>
<td>10-hours paid time 1-hour unpaid</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>7:00am-5:30pm OR 8:00am-6:30pm</td>
<td>7:00am-5:30pm OR 8:00am-6:30pm</td>
<td>7:00am-5:30pm OR 8:00am-6:30pm</td>
<td>7:00am-5:30pm OR 8:00am-6:30pm</td>
<td>OFF DAY</td>
</tr>
<tr>
<td>10-hours paid time 1/2-hour unpaid</td>
<td>10-hours paid time 1/2-hour unpaid</td>
<td>10-hours paid time 1/2-hour unpaid</td>
<td>10-hours paid time 1/2-hour unpaid</td>
<td>0</td>
</tr>
</tbody>
</table>

**OPTION 3 – 8/5 WORK SCHEDULE**

**ANNUAL OR COMPENSATORY TIME LEAVE**

The City department head and/or designee may approve the use of annual leave or compensatory time leave, and/or may approve any additional alternative schedule to address an acceptable 40-hour workweek schedule, if any of the workweek schedule options referenced is not conducive to City operational, staffing, or employee needs.

Employee’s preferences among the above approved scheduling options will be considered and accommodated by the City unless infeasible. Employees must notify their department heads of their scheduling preferences in writing through their line of supervision.

This LOU fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire discussion between the parties. The LOU shall be made a part of and attached to the existing MOU between the City and Stockton Management B & C Employees Group and shall be in force through December 31, 2008, and shall continue thereafter from year to year unless at least sixty (60) days prior to the Asparagus Festival either party shall file written notice with the other of its desire to amend, modify, or terminate this LOU.

**IN WITNESS WHEREOF**, the parties hereto have executed this Letter of Understanding this ______________ day of March 2004.

STOCKTON MANAGEMENT B & C
EMPLOYEES’ GROUP

ROBERT EVANS, President
Stockton Management B & C Employees’ Group

APPROVED AS TO FORM:
EMPLOYEE REPRESENTATION SERVICES

MAY PROSSER-STRONG
LABOR REPRESENTATIVE

CITY OF STOCKTON, a municipal corporation

MARK E. LEWIS, ESQ.
City Manager

TERRY PARKER, Director of Human Resources

Attest:

KATHERINE GONG MEISS
City Clerk

APPROVED AS TO FORM:
JAYNE W. WILLIAMS, Interim City Attorney

LORI WHITTAKER, Deputy City Attorney
# Index

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absence Without Official Leave (AWOL)</td>
<td>22</td>
</tr>
<tr>
<td>Acting Pay</td>
<td>22</td>
</tr>
<tr>
<td>Adoption Leave</td>
<td>36</td>
</tr>
<tr>
<td>Advanced Notification</td>
<td>4</td>
</tr>
<tr>
<td>Application for and Approval of Leave of Absence Without Pay</td>
<td>22</td>
</tr>
<tr>
<td>Association Recognition</td>
<td>2</td>
</tr>
<tr>
<td>Association Security</td>
<td>2-5</td>
</tr>
<tr>
<td>Attendance at Meetings by Employees</td>
<td>4</td>
</tr>
<tr>
<td>Bereavement Leave</td>
<td>18</td>
</tr>
<tr>
<td>Birthday Leave</td>
<td>26</td>
</tr>
<tr>
<td>City Recognition</td>
<td>2</td>
</tr>
<tr>
<td>Call Back</td>
<td>25</td>
</tr>
<tr>
<td>Compensation and Allowances Other Than Base Salary</td>
<td>27-31</td>
</tr>
<tr>
<td>Compensatory Time</td>
<td>24-25</td>
</tr>
<tr>
<td>Compliance with Federal Laws</td>
<td>6</td>
</tr>
<tr>
<td>Court Appearance</td>
<td>18-19</td>
</tr>
<tr>
<td>Days and Hours of Work</td>
<td>23</td>
</tr>
<tr>
<td>Deferred Compensation</td>
<td>29-30</td>
</tr>
<tr>
<td>Discipline (Supervisory Level)</td>
<td>10</td>
</tr>
<tr>
<td>Doctor's Certificate or Other Proof</td>
<td>17</td>
</tr>
<tr>
<td>Dues Deduction</td>
<td>2-3</td>
</tr>
<tr>
<td>Duration of Agreement</td>
<td>37</td>
</tr>
<tr>
<td>Educational Incentive Pay</td>
<td>31</td>
</tr>
<tr>
<td>Employee Options</td>
<td>8-9</td>
</tr>
<tr>
<td>Family Sick Leave</td>
<td>16</td>
</tr>
<tr>
<td>Filing Deadline (Grievance)</td>
<td>11</td>
</tr>
<tr>
<td>Grievance (Definition)</td>
<td>10</td>
</tr>
<tr>
<td>Grievance Procedure</td>
<td>10-14</td>
</tr>
<tr>
<td>Grievance Processing</td>
<td>11-12</td>
</tr>
<tr>
<td>Group Life Insurance Coverage</td>
<td>33</td>
</tr>
<tr>
<td>Health and Welfare Benefits</td>
<td>32</td>
</tr>
<tr>
<td>Health and Welfare Benefits During Layoff</td>
<td>9</td>
</tr>
<tr>
<td>Holidays</td>
<td>28-26</td>
</tr>
<tr>
<td>Holidays Observed by the City</td>
<td>26</td>
</tr>
<tr>
<td>Indemnity and Refund (Dues Deduction)</td>
<td>3</td>
</tr>
<tr>
<td>Insurance Plans</td>
<td>32-33</td>
</tr>
<tr>
<td>Layoff</td>
<td>7</td>
</tr>
<tr>
<td>Layoff Scope</td>
<td>7</td>
</tr>
<tr>
<td>Leaves</td>
<td>14-23</td>
</tr>
<tr>
<td>Leave of Absence</td>
<td>21</td>
</tr>
<tr>
<td>Leave of Absence Without Pay</td>
<td>21-22</td>
</tr>
<tr>
<td>Leave of Absence Without Pay (Purpose and Length)</td>
<td>21-22</td>
</tr>
<tr>
<td>Long Term Disability Insurance Coverage</td>
<td>33</td>
</tr>
<tr>
<td>Maintenance of Membership</td>
<td>5</td>
</tr>
<tr>
<td>Maintenance of Operations</td>
<td>38</td>
</tr>
</tbody>
</table>
December 16, 2008

TO: HONORABLE MAYOR and CITY COUNCIL
FROM: DIANNA R. GARCIA, Director of Human Resources
SUBJECT: MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON AND THE MANAGEMENT B & C EMPLOYEES’ ASSOCIATION

RECOMMENDATION

Adopt a resolution authorizing the City Manager to approve and execute the Memorandum of Understanding (Exhibit 1), including Appendix A (City of Stockton Modified Employee Medical Plan-Benefit Recap) and Appendix B (City of Stockton 2007 Classification and Compensation Study), between the City of Stockton and the Stockton Management B & C Employees’ Association representing the wages, hours, and other terms and conditions of employment for the Mid-Management/Supervisory Level Unit, effective January 1, 2009, through June 30, 2014.

SUMMARY

During the period July 31, 2008 through December 3, 2008, the Director of Human Resources, in her capacity as the Employee Relations Officer, met and conferred in good faith with the officials of the Stockton Management B & C Employees’ Association, representing the interests of employees represented by the Mid-Management/Supervisory Level Unit on the wages, hours, and other terms and conditions of employment.

On December 3, 2008, the City of Stockton and the Stockton Management B & C Employees’ Association reached a tentative agreement, reduced the agreement to writing, and the agreement was ratified by the members of the Mid-Management/Supervisory Level Unit on or about December 12, 2008. The written agreement is presented to the City Council for approval and adoption in accordance with the Meyers-Millas-Brown Act (Gov. Code §§ 3500, et seq.).

DISCUSSION

Background

From July 31, 2008 through December 3, 2008, the Director of Human Resources/Employee Relations Officer, along with her negotiating team—
MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON
AND THE MANAGEMENT B & C EMPLOYEES' ASSOCIATION

(Please 2 of 6)

Assistant Director of Human Resources Di Smith, Deputy Director of Human
Resources Ethel Francois, Senior Human Resources Analyst Sylvia Ramirez,
and Human Resources Analyst II Marie Guillory—met and conferred in good faith
on eight (8) separate occasions with the bargaining representatives of the Mid-
Management/Supervisory Level Unit. On December 3, 2008, the parties reached
tentative agreement, and the membership of the Mid-Management/Supervisory
Level Unit ratified the tentative agreement on or about December 12, 2008, by a
majority vote of its members.

Present Situation

The City of Stockton and the Stockton Management B & C Employees’
Association have met and conferred in good faith in accordance with section
3505 of the Government Code of the State of California on the wages, hours and
other terms and conditions of employment for a successor labor agreement. The
following is a summary of the major provisions that have been tentatively agreed
to by the parties:

1. **Term of Agreement.** January 1, 2009 through June 30, 2014

2. **Salary Adjustments.** Salary increases shall be based on the Revenue
   Growth Formula: ninety percent (90%) of actual growth from the prior year
   based on sales and use tax, property tax, utility user tax, and business
   license tax in the General Fund as reported in the Comprehensive Annual
   Financial Report. The City of Stockton shall notify the Management B & C
   Employees’ Association of any change in accounting procedures, legislative
   changes, and the like, that may materially affect the determination of growth in City of Stockton revenues and negotiate with
   the Stockton Management B & C Employees’ Association an agreed-upon
growth rate should any such change occur. Increases given shall be
based on actual revenue growth in:

   FY 2007/2008, effective July 1, 2009, minimum 2.5%, maximum 7.0%
   FY 2008/2009, effective July 1, 2010, minimum 2.5%, maximum 7.0%
   FY 2009/2010, effective July 1, 2011, minimum 2.5%, maximum 7.0%
   FY 2010/2011, effective July 1, 2012, minimum 2.5%, maximum 7.0%
   FY 2011/2012, effective July 1, 2013, minimum 2.5%, maximum 7.0%
   FY 2012/2013, effective June 30, 2014, minimum 2.5%, maximum 7.0%

   (a) In the event the City of Stockton agrees to a higher percentage
       than ninety percent (90%) for any other employee organization or
       group for determination of salary adjustments, the City of Stockton
       shall notify the Stockton Management B & C Employees'
Association and the higher percentage shall also apply to the Stockton Management B & C Employees' Association when determining salary adjustments (i.e., percentage increase shall match other employee labor groups);

(b) In the final year of the Memorandum of Understanding, the salary increase shall be paid effective June 30, 2014, as described herein, or as amended by the parties during the re-opener period in July 2011; and

(c) Effective July 1, 2009, salary increases shall no longer be fitted to the City of Stockton Salary Schedule Matrix, as set forth in the City of Stockton's Salary Schedule.

3. Classification and Compensation Study. Effective July 1, 2009, the City of Stockton shall implement seventy percent (70%) of the amount shown from the City of Stockton 2007 Classification and Compensation Study (Appendix B), which shall be added to the employee’s base salary of the affected classifications. Effective July 1, 2010, the remaining thirty percent (30%) of the dollar amount shown on Appendix B shall be added to the employee’s base salary of the affected classifications.

The City of Stockton shall conduct a Classification and Compensation Study base on July 1, 2011, classification and compensation data; however, the City of Stockton shall have no obligation to implement the survey data findings. The data gathered shall be used for information and discussion purposes between the City of Stockton and the Stockton Management B & C Association during the re-opener period in July 2011 of the labor agreement.

4. Health Care. Beginning January 1, 2009, the City of Stockton and the Stockton Management B & C Employees' Association agree to participate in a joint labor-management committee to develop strategies to reduce the City's health care costs while maintaining access to quality healthcare.

5. GASB-45 Liability/Retiree Medical Trust. Once established, all employees appointed by the City of Stockton on or after January 1, 2009, shall participate in the Retiree Medical Trust, which includes an employer contribution not to exceed two percent (2.0%) of employee's base salary, and an employee contribution not to exceed three percent (3.0%) of employee’s base salary for a total of five percent (5.0%).
MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON AND THE MANAGEMENT B & C EMPLOYEES' ASSOCIATION

These unit members will not be eligible for either the regular Retiree Medical Allowance (to age 65) or the Supplemental Allowance (after age 65).

6. **Bilingual Pay.** Upon the testing and certification of bilingual skills by the City of Stockton Human Resources Department, the City of Stockton shall pay a stipend of $140.00 per month for verbal translation skills; and $200.00 per month for verbal and written translation skills. The department head shall determine which job positions require bilingual skills.

7. **Emergency Medical Services Dispatcher Accreditation Pay.** Effective January 1, 2009, the City shall compensate all bargaining unit Fire Telecommunication Supervisors who obtain and maintain accreditation as San Joaquin County Emergency Medical Services Dispatchers an additional $175.00 per month. If the employee fails to maintain the accreditation or if the accreditation is no longer required for the position, payment of the stipend shall cease.

8. **Elimination of Compensatory Time Off for Fire Telecommunication Supervisors.** Effective January 1, 2009, Fire Telecommunication Supervisors assigned to a 56-hour workweek may no longer accrue or use compensatory time and shall be paid at their regular rate of pay for all accrued and unused compensatory time hours on or about January 7, 2009; provided, however, any Fire Telecommunication Supervisor having any approved leave request(s) for compensatory time off through January 31, 2009, shall be permitted to use the approved compensatory leave.

9. **Standby Duty Pay.** Supervisory level employees directed to remain on standby duty on their normal days off shall be paid at the rate of four (4) hours of regular pay or compensatory time off for each twenty-four (24) hours of standby duty plus one and one-half (1 ½) time for all time worked.

10. **Holidays Observed by the City.** Birthday Leave: A birthday leave shall be used within ninety (90) work days on or after the employee's date of birth (currently within 60 calendar days).

11. **Bereavement Leave.** Expand immediate family for bereavement leave to include son-in-law, daughter-in-law, and current step parents.

12. **Probation.** Supervisory Level: Original and promotional appointments to the position of Supervising Librarian only shall be tentative and subject to a probationary period of twelve (12) months.
MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON
AND THE MANAGEMENT B & C EMPLOYEES’ ASSOCIATION

13. Uniform Allowance. Effective July 1, 2009, the City of Stockton shall
provide an additional fifty dollars ($50.00) each fiscal year for the
purchase and maintenance of uniforms to those employees occupying job
classifications required to wear uniforms.

14. Deferred Compensation. Effective July 1, 2012, each employee in this
bargaining unit shall receive a City of Stockton paid deferred
compensation contribution of one and one-half percent (1.50%) of the
employee’s base salary toward the employee’s deferred compensation
account; and effective July 1, 2013, two percent (2.0%) of the employee’s
base salary toward the employee’s deferred compensation account. The
City of Stockton’s paid contribution shall be in addition to the employee’s
voluntary deferred compensation contribution.

15. Reopener Clause. Effective July 1, 2011, the City of Stockton and the
Stockton Management B & C Employees’ Association mutually agree to
reopen the labor agreement to specifically revisit and discuss: (1) employee contribution toward healthcare; (2) enhanced retirement
pension plans (i.e., 2.7% at age 55, and 3.0% at age 60); (3) modification
of longevity pay; and (4) application of the revenue growth formula.

16. Work Furloughs. In fiscal year 2008/2009, the members of the Stockton
Management B & C Employees’ Association shall participate in a
mandatory work furlough, wherein 80 furlough hours is deducted from
each member’s regular hourly rate of pay between October 22, 2008 and
June 30, 2009; salary reductions for furloughs shall be equalized over ten
(10) months.

In fiscal year 2009/2010, and based on defined economic conditions (i.e.,
City of Stockton revenue growth assumptions in the general fund are 2.5%
or less), the members of the Stockton Management B & C Employees’
Association shall participate in a mandatory work furlough, wherein 96
furlough hours will be deducted from each member’s regular hourly rate of
pay between July 1, 2009 and June 30, 2010; salary reductions for
furloughs shall be equalized over twelve (12) months.

The Stockton Management B & C Employees’ Association has executed the
contract, along with the City’s Employee Relations Officer and her bargaining
team, and the City Attorney has approved the contract as to form. Staff requests
that the City Council authorize the City Manager to execute the contract, and all
appendices thereto, to be effective January 1, 2009.
December 16, 2008

MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON
AND THE MANAGEMENT B & C EMPLOYEES’ ASSOCIATION

(Please 6 of 6)

FINANCIAL SUMMARY

Approval of the Memorandum of Understanding for the Mid-Management/Supervisory Unit will result in approximately $485,000 in savings in FY 2008-09 and an average cost of $2,135,000 in additional payroll expenses in each of the remaining fiscal years in the contract. The estimated savings in FY 2008-09 was incorporated into the Addendum to the 2008-09 Annual Budget. The payroll expenses in future fiscal years will be incorporated into budget projections and the City’s Annual budgets as they are developed and approved. These expenses will be paid by all City funding sources. The approximate share by funding source is as follows:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>31.1%</td>
</tr>
<tr>
<td>Development Services Fund</td>
<td>18.6%</td>
</tr>
<tr>
<td>Capital Project Funds</td>
<td>13.9%</td>
</tr>
<tr>
<td>Municipal Utilities Funds</td>
<td>10.2%</td>
</tr>
<tr>
<td>City Internal Service Funds</td>
<td>8.9%</td>
</tr>
<tr>
<td>City/County Library Fund</td>
<td>7.6%</td>
</tr>
<tr>
<td>Recreation &amp; Golf Funds</td>
<td>3.2%</td>
</tr>
<tr>
<td>Redevelopment Agency Funds</td>
<td>1.7%</td>
</tr>
<tr>
<td>Other Funding Sources</td>
<td>4.8%</td>
</tr>
</tbody>
</table>

Sufficient funds are budgeted in the payroll accounts within these funds.

Respectfully submitted,

DIANNA R. GARCIA
DIRECTOR OF HUMAN RESOURCES

APPROVED:

J. GORDON PALMER, JR.
CITY MANAGER

Attachments

Exhibit 1 – Mid-Management/Supervisory Level Memorandum of Understanding Appendices A and B

::ODMA\GRP\WISE\COS_PER_PER_library\54599.1

181
RESOLUTION APPROVING AND ADOPTING THE MEMORANDUM OF
UNDERSTANDING BETWEEN THE CITY OF STOCKTON AND THE MANAGEMENT B
& C EMPLOYEES’ ASSOCIATION

From July 31, 2008, through December 3, 2008, the Director of Human Resources,
in her capacity as the Employee Relations Officer, along with the negotiating team met and
conferred with officials of the Management B & C Employees’ Association, the
representative of employees in the Mid-Management/Supervisory Level Unit, on wages,
hours, and other terms and conditions of employment. The parties reached a tentative
agreement on December 3, 2008, and reduced the agreement to writing. The employee
unit ratified the written agreement on or about December 12, 2008, by a majority vote of
the members; and

The City of Stockton and the Management B & C Employees’ Association,
representing the Mid-Management/Supervisory Level Unit, have in good faith completed
their meet and confer obligation regarding wages, hours, and other terms and conditions of
employment for the period of January 1, 2009, through June 30, 2014; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS
FOLLOWS:

1. That the Memorandum of Understanding between the City of Stockton and
the Mid-Management/Supervisory Level Unit of the Management B & C Employees’
Association, attached hereto as Exhibit “A” and made a part hereof by this reference, is
hereby approved and adopted.

2. That the City of Stockton Modified Employee Medical Plan – Benefits Recap
(Appendix A) and the City of Stockton 2007 Classification and Compensation Study
(Appendix B), both attached to the Memorandum of Understanding and made a part
thereof by this reference, are hereby approved and adopted.

CITY ATTY
REVIEW
DATE 12/12/08
3. That the City Manager is hereby authorized and directed to execute the Memorandum of Understanding, including the applicable Appendices, on behalf of this legislative body in accordance with Government Code section 3500, et seq., to be effective January 1, 2009, through, and including June 30, 2014.

4. That the City Manager and the Employee Relations Officer are authorized to take whatever actions are appropriate to carry out the purpose and intent of this resolution.

PASSED, APPROVED and ADOPTED DEC 16 2008

EDWARD J. CHAVEZ,
MAYOR OF THE CITY OF STOCKTON

ATTEST:

KATHERINE GONG METERAN
CITY CLERK OF THE CITY OF STOCKTON

::ODMAIGRPWESIODO.PERPER Library:54596.1
CITY OF STOCKTON

MID-MANAGEMENT/SUPERVISORY LEVEL
MEMORANDUM OF UNDERSTANDING

The Stockton Mid-Management/Supervisory Level bargaining unit and representatives of the City of Stockton have met and conferred in good faith regarding wages, hours and other terms and conditions of employment of employees employed in the representation unit identified in Section 1, 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-Millas-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 for salary and employee benefit adjustments for the period commencing January 1, 2009, and ending June 30, 2014.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

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, hereinafter 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 Association Recognition

The City of Stockton Management B & C Employees Group, hereinafter referred to as "Association", is the recognized employee organization for the Mid-Management/Supervisory Level Bargaining Unit certified pursuant to Resolution No. 91-0014, adopted by the City Council on January 2, 1991.
SECTION 2. ASSOCIATION SECURITY

2.1 Dues Deduction

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

Payroll deduction shall be for a specified amount and consistent for all employee members of the Association and shall not include fines, fees, and/or assessments.

Authorization, cancellation or modification of the payroll deduction shall be made upon forms provided or approved by the City. The payroll deduction authorized shall remain in effect until cancelled or modified by the employee by written notice to the City or until the first day of the calendar month following the transfer of the employee to a unit represented by another employee organization as the representative of the unit to which the employee is assigned, or until employment with the City is terminated.

Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Association 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 Association members who request it, premiums for group insurance and investment plans sponsored by the Association. Such deduction shall occur only upon signed authorization from the employee upon a form satisfactory to the City. Such authorization may be made or changed no more frequently than 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 withholding will be made to cover that pay period from future earnings 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 the period. In the case of an employee who is in a non-pay status during a part of the pay period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other required deductions have priority over the employee organization deduction.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

(b) **Indemnity and Refund.** The Association shall indemnify, defend and hold the City harmless against any claim made and against any suit initiated against the City on the account of check-off of Association dues or premiums for benefits. In addition, the Association shall refund to the City any amounts paid to it in error upon presentation of a written document demonstrating the error.

### 2.2 Use of City Facilities

The Association 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 Association business, such as times and places of meetings, provided such use does not interfere with the needs of the department.

Any representative of the Association shall give notice to the department head or his designated representative when contacting department employees on City facilities during the duty period of the employees, provided that solicitation for membership or other internal Association business shall be conducted during the non-duty hours of all employees concerned. Prearrangement for routine contact may be made with the individual department heads and when made shall continue until revoked by the department heads.

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

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

### 2.3 Advanced Notification

Except in cases of emergency, reasonable advance written notice shall be given to the Association if related to matters within the scope of representation proposed to be adopted by the City and shall be given the opportunity to negotiate, if requested, with the designated management representatives prior to adoption.

In cases of emergency when the foregoing procedure is not practical or in the best public interest, the City may adopt or put into practice immediately such measures as are required. At the earliest practical date thereafter, the Association 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 Association 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 with the performance of City services as determined by the City. 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) employees.

2.5 Maintenance of Membership

(a) Association membership is not a mandatory condition of employment for any employee covered by this Agreement. However, any employee covered by this Agreement, who is an Association member on or after the date of this Agreement is ratified by the Association membership, shall continue to pay to the Association those dues or fees regularly charged members of the Association in good standing for the life of this Agreement.

(b) Every employee who is a member of the Association shall have the right to withdraw from membership no sooner than 120 days or no later than 60 days of the expiration date of this Agreement, as contained in Section 19 Duration of Agreement. An employee who has properly withdrawn membership as provided herein shall not be subject to the provisions of this Section.

(c) Upon return from leaves of absence, the City shall reinstate the payroll deduction of Association dues for those employees who are on dues check-off immediately prior to taking leave, provided that the employee has not authorized cancellation of dues check-off in accordance with the prescribed provision or the Agreement under which they were a member has not expired.

(d) Enforcement of this Section shall be the responsibility of the Association, utilizing appropriate civil procedures.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

SECTION 3. COMPLIANCE WITH FEDERAL LAWS

3.1 Non-Discrimination

(a) The City and the Association agree that there shall be no discrimination of any kind because of race, creed, color, religion, national origin, sex, disability, political affiliation or legitimate Association activity against any employee or applicant for employment; and to the extent prohibited by applicable State and Federal law there shall be no discrimination because of age.

(b) The Association shall cooperate with the City in the objectives of Affirmative Action as defined by Federal and State regulations.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

SECTION 4. PROBATION

4.1  Supervisory Level

Original and promotional appointments shall be tentative and subject to a probationary period of six (6) months. The probationary period shall not be extended.

Supervising Librarian. Original and promotional appointments shall be tentative and subject to a probationary period of twelve (12) months. The probationary period shall not be extended.

4.2  Mid-Management Level

All Mid-Management Level positions are considered to be salaried employees. They do not have Civil Service status. Employment and separation of employment will be consistent with State Law.

4.3  Retention/Rejection of Probationer

During the probationary period a Mid-Management/Supervisory level employee may be rejected at any time by the appointing authority. Any employee who held a position in the classified service and subsequently appointed to a position in the unclassified service and subsequently removed from such position that employee shall have the right to be employed in a position comparable to his/her formerly held position in the classified service from which he/she was promoted unless charges are filed and he/she is discharged in the manner provided in section 7 of this Memorandum of Understanding, the Civil Service Rules and Regulations, the Stockton Municipal Code, and/or any other applicable City policy.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

SECTION 5. LAYOFF

5.1 Layoff

Any employee may be laid off by an appointing authority in the event of the abolition of the employee’s position by the City Council, or if a shortage of work or funds requires a reduction in personnel. In doing so, the City shall follow the layoff procedure set forth herein below.

5.2 Layoff Scope

(a) The City shall designate the number of layoffs in each bargaining unit classification for each department of the City.

(b) Departments of the City are defined as follows:

(1) City Attorney
(2) City Auditor
(3) City Clerk
(4) City Manager
(5) Community Development
(6) Community Services
(7) Economic Development
(8) Financial Management
(9) Fire
(10) Housing and Redevelopment
(11) Human Resources
(12) Information Technology
(13) Library
(14) Municipal Utilities
(15) Police
(16) Public Works

5.3 Notice of Layoff

The City will give advance written notice of at least two (2) weeks to employees who will be laid off.

5.4 Precedence by Employment Status

No bargaining unit employee having regular status shall be laid off while employees working in seasonal, temporary, provisional, or probationary status are retained in the same or comparable classification as such regular employee. The order of layoff among bargaining unit employees not having not regular status shall be as follows:

CITY OF STOCKTON
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

(a) First, seasonal employees;
(b) Second, provisional employees;
(c) Third, temporary employees; and
(d) Fourth, probationary employees.

Layoffs shall be by job classification according to reverse order of seniority as determined by total service in the City, except as specified above. For the purpose of this procedure, regular part-time classes shall be considered as separate from regular full-time classes.

The following provisions shall apply in computing total continuing service:

(a) Time spent on military leave shall count as service in the event the leave was taken subsequent to entry into regular City employment.

(b) Time worked in seasonal, provisional, temporary, grant or other limited term status shall not count as service.

(c) Time worked in a regular status or probationary status shall count as service.

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

(e) Regular status part-time employees shall not have the right to bump regular status full-time employees.

5.5 Order of Layoff and Employee Options

Reduction in force shall occur in the following order:

(a) The least senior employee occupying the position(s) being eliminated shall be the first laid off. The incumbent designated for layoff shall have the options noted below:

(1) Displacing the least senior employee occupying the same or comparable classification, Citywide.

(2) Taking a voluntary demotion within the City to a classification in which the employee had prior regular status, thus displacing the employee working in that classification who has the least seniority.

(b) Seniority for the purposes of application of the layoff procedure in section 5

CITY OF STOCKTON
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

is determined by total City employment, excluding employment as a seasonal, provisional, or temporary employee.

(c) Comparability of employee classifications for the purposes of application of the layoff procedure in section 5 shall be determined by the Director of Human Resources.

(d) An employee displaced in accordance with section 5 shall be laid off in the same manner as an employee whose position has been abolished.

5.6 Health and Welfare Benefits During Layoff

Regular employees who are laid off will have an option of maintaining their existing health and welfare benefits for thirty-six (36) months (the thirty-six (36) months runs concurrently with any COBRA benefits) from the date of layoff, provided timely payments of the premiums by the employee are made to the City, according to City regulations, and provided the employee otherwise meets the requirements of federal and state regulations.

5.7 Voluntary Layoff

When a determination has been made that a layoff will occur, regular full-time employees may elect to be voluntarily laid off regardless of their seniority status. The following provisions apply to an employee who so elects to be laid off:

(a) For payroll purposes, the employee will be treated as being on approved leave of absence without pay for up to twelve (12) months.

(b) The employee will have the option to either retain sick leave and/or vacation balances for up to one (1) year in anticipation of reemployment or be paid off for those leaves in accordance with applicable provisions of this Memorandum of Understanding.

(c) The names of employees who elect to be voluntarily laid off will be placed on reemployment lists in accordance with section 6.
SECTION 6. REEMPLOYMENT

(a) 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 and is ready to report for duty when a position is open, the City shall cause the name of such employee to be placed on 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.

(b) The order in which names shall be placed on the reemployment list for any class shall be by seniority, which means "last laid off, first rehired."

(c) In filling vacancies, eligibles on the reemployment lists take precedence over eligibles on any other list for the same class in the department for which the lists apply.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

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 provided the Stockton Municipal Code provisions and the rules and regulations of the Civil Service Commission and any applicable provisions of law are followed. The Supervisory Level employee may take any one (1) of the following actions:

(a) File no grievance.

(b) File a grievance as provided for in Section 8.1 within ten (10) business days of written notification of the action.

(c) File an appeal within ten (10) business days of written notification of the action with the Civil Service Commission as appropriate for Supervisory Level employees.

If the employee fails to do (a) (b) or (c) above within the prescribed time frame, these rights will have been waived.
8.1 Definition

A grievance is any dispute which involves the interpretation or application of the Memorandum of Understanding or appropriate disciplinary action (Supervisory Level employees only) in lieu of a Civil Service Commission appeal.

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 in which the affected employee received written notification of such action. All other grievances must be filed within thirty (30) calendar days from the time the employee knew or had reason to know of the facts giving rise to the grievance.

8.3 Grievance Processing

(a) Step 1 - Departmental Review. Any employee claiming to have a grievance may discuss the complaint with such management official in the department where employed as the department head may designate. If the issue is not resolved within the department within ten (10) business days from the day of presentation or if the employee elects to submit the grievance directly to the Association recognized as the representative of that employee's classification, the procedures hereinafter specified may be invoked.

(b) Step 2 - Director of Human Resources Review. If the employee is not satisfied with the response at Step 1, then the employee may appeal the grievance to the Director of Human Resources within ten (10) business days of the receipt of written response at Step 1. Such appeal must state with particularity: 1) the specific policy, rule or provision which is alleged to have been violated; 2) the statement of facts comprising the violation; and 3) the requested remedy. The Association may file and process grievance(s) on behalf of the specifically named employee.

The Director of Human Resources shall have twenty (20) business days in which to review the issues and respond to the appeal. No grievance may be processed under the following two (2) paragraphs, which has not first been filed and reviewed in accordance with this paragraph unless the Director of Human Resources fails to respond within the time limit.

(c) Step 3 - The parties may mutually agree to the use of this Step prior to proceeding to Step 4, Arbitration. Either party may with written notice within
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

ten (10) business days of the decision of Step 2, request Step 3. Upon mutual agreement of Step 3, the City will request a representative from the State of California Mediation/Conciliation Service to review the grievance and make non-binding recommendations to assist the parties in resolving the grievance. The State Mediator will not provide any written documents and is limited to the restriction in Labor Code Section 65 and Attorney General opinions 51/183 and 68/77.

(d) **Step 4 - Arbitration.** If the grievant or the Association is dissatisfied with the response at Step 2 or Step 3, if used, or if the Director of Human Resources fails to respond within the time limit in Step 2, the grievance may be moved to Step 4 within twenty (20) business days. The grievance will be referred to an arbitrator mutually selected by the parties, or, if the parties are unable to mutually agree from a list of seven (7) arbitrators provided by the State of California Mediation/Conciliation Service, the arbitrator shall be chosen by the alternative strike method, with first choice being determined by lot. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by the Association 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 hereto except as provided otherwise 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 Association and unless such dispute falls within the definition of a grievance as set forth in paragraph 8.1.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

Proposals to add to or change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be arbitrated 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. No arbitrator selected pursuant to this section shall have the power to amend or modify this Memorandum of Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.

No change 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 Association.

8.5 Other Provisions

If the Director of Human Resources in pursuance of the procedures outlined above resolve a grievance which involves suspension or discharge, he/she 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 judgment for the judgment of Management and if he finds that the City had such right, he 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 department at Step 1. Only complaints which 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 thirty (30) days from the date upon which the complaint was filed.

The provisions of this Section shall not abridge any right to which an employee may be entitled under the Stockton Municipal Code and/or Civil Service Rules and Regulations, nor shall it be administered in a manner, which would abrogate any power, which may be within the sole province and discretion of the Civil Service Commission. Reference to Civil Service Commission is limited to Supervisory Level employees.

All grievances of employees in the representation unit represented by the Association shall be processed under this Section. If the Stockton Municipal Code
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

and/or the Civil Service Rules and Regulations requires that differing options 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 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.
SECTION 9. LEAVES

9.1 Vacation - Mid-Management Level

(a) The vacation plan for Mid-Management Level employees shall provide for a flat annual allowance, a maximum carry-over limit and a sell-back provision.

(b) Vacation Allowance. Mid-Management Level employees shall, on July 1, of each year, receive a vacation allowance, which shall be the employee’s vacation entitlement for the fiscal year.

(1) Mid-Management Level employees shall receive twenty (20) days with fifteen (15) years or less of continuous City service.

(2) Mid-Management Level employees shall receive twenty-five (25) days after fifteen (15) years and up to twenty-five (25) years of continuous City service.

(3) Mid-Management Level employees shall receive one (1) additional day vacation allowance for each year of continuous City service beyond twenty-five (25) years.

(c) Vacation Carryover Maximum. Mid-Management Level employees shall be granted a maximum carry-over of one (1) previous year’s vacation allowance plus fifteen (15) days as of June 30, of any year.

(d) Vacation Carryover in Excess of Maximum.

(1) Whenever an employee’s vacation hours exceed the maximum vacation carryover provision, the excess hours shall automatically be credited to the employee’s sick leave balance at the end of the fiscal year.

(2) Mid-Management Level employees may carry-over vacation time in excess of the maximum allowance, as referenced above, when the vacation hours remains because of being in a paid status during a period of illness or injury which precluded liquidating vacation credits earned in excess of the maximum allowed.

(e) Vacation Sell-Back Maximum.

Mid-Management Level employees are allowed a maximum sell-back not to exceed designated unused vacation per year. Mid-Management employees may sell back ten (10) days per fiscal year. To qualify for this sell-back
benefit, an employee must have used, either in the preceding or current fiscal year, an equivalent number of vacation days to the number of sell-back days.

9.2 Vacation - Supervisory Level

(a) The vacation plan for Supervisory Level employees shall provide for a flat annual allowance, a maximum carry-over limit and a sell-back provision.

(b) Vacation Allowance. Supervisory Level employees shall, on July 1, of each year, receive a vacation allowance, which shall be the employee’s vacation entitlement for the fiscal year.

(1) Supervisory Level employees shall receive fifteen (15) days with five (5) years or less of continuous City service.

(2) Supervisory Level employees shall receive twenty (20) days after five (5) years of continuous City service.

(3) Supervisory Level employees shall receive twenty-five (25) days after fifteen (15) years and up to twenty-five (25) years of continuous City service.

(4) Supervisory Level employees shall receive one (1) additional day vacation allowance for each year of continuous City service beyond twenty-five (25) years.

(c) Vacation Carryover Maximum. Supervisory Level employees shall be granted a maximum carry-over of one (1) previous year’s vacation allowance plus fifteen (15) days as of June 30, of any year.

(d) Vacation Carryover in Excess of Maximum.

(1) Whenever an employee’s vacation hours exceed the maximum vacation carryover provision, the excess hours shall automatically be credited to the employee’s sick leave balance at the end of the fiscal year.

(2) Supervisory Level employees may carry-over vacation time in excess of the maximum allowance, as referenced above, when the vacation hours remains because of being in a paid status during a period of illness or injury which precluded liquidating vacation credits earned in excess of the maximum allowed.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

(e) **Vacation Sell-Back Maximum.**

Supervisory Level employees are allowed a maximum sell-back not to exceed designated unused vacation per year. Supervisory Level employees may sell back ten (10) days per fiscal year. To qualify for this sell-back benefit, an employee must have used, either in the preceding or current fiscal year, an equivalent number of vacation days to the number of sell-back days.

9.3 **Sick Leave**

(a) **Accrual.** All regular employees, except provisional, temporary and extra-help employees, each shall accrue sick leave at the rate of ten (10) hours for full month of service. All regular employee, except provisional, temporary and extra-help employees, working less than a full month shall 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, which the employee would normally have worked, to a maximum of sick leave hours accrued.

An employee may use sick leave for preventive medical, dental, optical care, 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, 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 department head, to the time reasonably required to make other arrangements for such care.

Employees may utilize up to one-half of their annual sick leave accrual in the case of illness or injury in the employee’s immediate family when such illness or injury requires personal care that otherwise would not be covered by the FMLA or CFRA leaves.

For the purpose of this Section, such sick leave 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, grandchild, and registered domestic partner.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

(d) Procedures for Requesting and Approving Sick Leave. When the requirement for sick leave is known to the employee in advance of his/her absence, the employee shall request authorization for such sick leave from the department head prior to such absence. In all other instances, the employee shall notify his/her supervisor as promptly as possible of his/her absence.

Before an employee may be paid for the use of accrued sick leave, he/she shall complete and submit to his/her department head a signed statement, on a prescribed form, stating 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 department head.

(e) Doctor's Certificate or Other Proof. If an employee's illness results in an absence from work for more than three (3) consecutive days, then a doctor's certificate or other reasonable proof of illness may be required by the department head.

The department head 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 disabbling illness or injury signed by a physician covering the period for which sick leave is claimed.

(g) Payment for Unused Sick Leave. Upon separation with ten (10) years or more of employment; or upon termination of employment by reason of death, 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.
9.4 Other Leaves With Pay

(a) Bereavement Leave. In the event of a death in the immediate family of an employee, he/she shall, upon request be granted up to three (3) days bereavement leave with pay without charge to his/her accumulated sick leave credits or vacation eligibility. For the purposes of this paragraph, the immediate family shall be restricted to the employee's parents, current step parents, spouse, mother-in-law, father-in-law, child, stepchild, brother, sister, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparent, grandchild, and registered domestic partner.

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 bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits.

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

Said absence 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 a defendant, including necessary travel time. As a condition of receiving such full pay, the employee must remit to the City through the employee's department head, within fifteen (15) days after receipt of all fees received except those specifically allowed for mileage and expenses.

Jury duty or witness duty appearances shall be considered as time in court. Upon being excused from court, an employee must return to work if he/she has two (2) or more hours remaining on his/her work schedule. Employees serving on jury duty during their normally scheduled days or hours off shall be granted an equivalent number of hours off during their normal week as scheduled by the supervisor. The noticed supervisor shall monitor the hours of jury duty or witness duty attendance and ensure that said hours are considered as time worked.

Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City through the employee's department.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

Notwithstanding the foregoing, attendance in court in connection with an employee's official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is not a party, together with travel time necessarily involved, shall not be considered absent from work within the meaning of this Section.

(c) Military Leave. An employee of the City who is a member of the National Guard or Naval Militia or a member of 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 shall be allowed leave of absence without pay for the duration of a national emergency 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. Said employees shall be reinstated in the service, except as hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

All probationary employees inducted into the Military Service not having served the minimum probationary period of six (6) months, shall be allowed leave of absence without pay for the duration of a national emergency, but 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 the status of a regular employee.

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

9.5 Workers' Compensation Leave

Whenever any member of this unit, 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 a 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 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
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

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.

9.6 Leave of Absence

Employees shall not be entitled to leave of absence as a matter of right, but only in accordance with the provisions of law and the City of 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 department head under this Section shall be subject to review by the Director of Human Resources, 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 hereinafter.

The entitlement to City payment of premium 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 plan by prepayment of the monthly premium during the authorized leave of absence.

Authorized absence without pay which 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 adjustment.

9.7 Leave of Absence Without Pay

(a) Purpose and Length. Only employees occupying regular positions on a regular basis are eligible for leaves of absence without pay under the provisions of this Section.

An appointing authority may grant leave of absence without pay for personal reasons up to a maximum of twelve (12) months with approval of the Director of Human Resources.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

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 approval of the Director of Human Resources. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, 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 Leave of Absence Without Pay. In order to receive leave without pay, an employee must submit a request on the prescribed form to his/her department head and the Director of Human Resources describing the reasons for the request and all other information required for the department head, or his/her representative, to evaluate the request. Leaves without pay may be cancelled by the department at any time.

9.8 Absence Without Official Leave (AWOL)

(a) Failure to Report to Duty 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 cancelled, or at the expiration of a leave, shall be considered an absence without official leave and shall be subject to discipline.

(b) Voluntary Resignation. Any employee in this bargaining unit absent without official leave for two (2) or more consecutive days or absent an aggregate of sixteen (16) hours in any calendar month without a satisfactory explanation shall be deemed to have voluntarily resigned from the City of Stockton, except if the absence is due to a verified illness or injury.

9.9 Paternal/Adoption/Maternity/Pregnancy Leave

Family medical leave shall be in accordance with the Family Medical Leave Act ("FMLA") of 1993, the California Family Rights Act ("CFRA"), or Pregnancy Disability Leave ("PDL") and/or other applicable state and federal laws.
10.1 **Workweek**

(a) The workweek and hours of work are determined solely by the City. The normal workweek for employees in this unit shall consist of five (5) consecutive eight (8) hour days or a minimum total of forty (40) hours. Where needs of a department require deviations (as determined by the Department Head) from the present schedule, the Department Head may institute alternate work schedules.

(b) The department will (except in emergency situations) provide a ten (10) working day notice (prior to implementation) of any workweek and/or hours changes.

(c) **Asparagus Festival Work Schedule.** Employees assigned to work at City facilities within the designated “footprint area” of the Asparagus Festival may work any of the following work schedules during the Asparagus Festival:

1. **Option 1: Baseline Work Schedule.**

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>7:30am-5:30pm</td>
<td>7:30am-5:30pm</td>
<td>7:30am-5:30pm</td>
<td>7:30am-5:30pm</td>
<td>7:30am-11:30am OR 8:00am-12:00pm</td>
</tr>
<tr>
<td>9-hours paid</td>
<td>9-hours paid</td>
<td>9-hours paid</td>
<td>9-hours paid</td>
<td>4-hours paid</td>
</tr>
<tr>
<td>1-hour unpaid</td>
<td>1-hour unpaid</td>
<td>1-hour unpaid</td>
<td>1-hour unpaid</td>
<td>time</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:00am-5:30pm</td>
<td>8:00am-5:30pm</td>
<td>8:00am-5:30pm</td>
<td>8:00am-5:30pm</td>
<td>7:30am-11:30am OR 8:00am-12:00pm</td>
</tr>
<tr>
<td>9-hours paid</td>
<td>9-hours paid</td>
<td>9-hours paid</td>
<td>9-hours paid</td>
<td>4-hours paid</td>
</tr>
<tr>
<td>1/2-hour unpaid</td>
<td>1/2-hour unpaid</td>
<td>1/2-hour unpaid</td>
<td>1/2-hour unpaid</td>
<td>time</td>
</tr>
</tbody>
</table>
(2) Option 2: Four Tens Work Schedule with Friday off.

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>7:00am-6:00pm</td>
<td>7:00am-6:00pm</td>
<td>7:00am-6:00pm</td>
<td>7:00am-6:00pm</td>
<td>OFF DAY</td>
</tr>
<tr>
<td>OR</td>
<td>OR</td>
<td>OR</td>
<td>OR</td>
<td></td>
</tr>
<tr>
<td>8:00am-7:00pm</td>
<td>8:00am-7:00pm</td>
<td>8:00am-7:00pm</td>
<td>8:00am-7:00pm</td>
<td></td>
</tr>
<tr>
<td>10-hours paid time</td>
<td>10-hours paid time</td>
<td>10-hours paid time</td>
<td>10-hours paid time</td>
<td>0</td>
</tr>
<tr>
<td>1-hour unpaid</td>
<td>1-hour unpaid</td>
<td>1-hour unpaid</td>
<td>1-hour unpaid</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>7:00am-5:30pm</td>
<td>7:00am-5:30pm</td>
<td>7:00am-5:30pm</td>
<td>7:00am-5:30pm</td>
<td>OFF DAY</td>
</tr>
<tr>
<td>OR</td>
<td>OR</td>
<td>OR</td>
<td>OR</td>
<td></td>
</tr>
<tr>
<td>8:00am-6:30pm</td>
<td>8:00am-6:30pm</td>
<td>8:00am-6:30pm</td>
<td>8:00am-6:30pm</td>
<td></td>
</tr>
<tr>
<td>10-hours paid time</td>
<td>10-hours paid time</td>
<td>10-hours paid time</td>
<td>10-hours paid time</td>
<td>0</td>
</tr>
<tr>
<td>1/2-hour unpaid</td>
<td>1/2-hour unpaid</td>
<td>1/2-hour unpaid</td>
<td>1/2-hour unpaid</td>
<td></td>
</tr>
</tbody>
</table>

(3) Option 3: Vacation or Compensatory Time. The department head or designee may approve the use of vacation leave or compensatory time, and/or may approve any additional alternative schedule to formulate an acceptable 40-hour work schedule.

(4) Employee preferences among the above approved scheduling options during the Asparagus Festival will be considered and accommodated by the City unless infeasible. Employees must notify their department heads of their scheduling preferences through their line of supervision.
10.2 Work Furloughs

(a) **80 Furlough Hours in Fiscal Year 2008-2009.** Each employee shall take eighty (80) furlough hours between October 22, 2008, and June 30, 2009, in accordance with (c) and (d) of this section.

(b) **Equalized Payroll Deductions.** Payroll deductions for the eighty (80) furlough hours described in section 10.2, paragraph (a) herein above shall be equalized so that each employee shall have 4,444 hours at the employee’s regular hourly rate of pay deducted from each of the following eighteen (18) pay warrants: October 22, 2008; November 7, 2008; November 22, 2008; December 7, 2008; December 22, 2008; January 7, 2009; January 22, 2009; February 7, 2009; February 22, 2009; March 7, 2009; March 22, 2009; April 7, 2009; April 22, 2009; May 7, 2009; May 22, 2009; June 7, 2009; June 22, 2009; and July 7, 2009.

(c) **Standard Furlough Days.** Except as provided in 10.2(d) herein below, each employee shall take the following furlough days:

1. Monday, November 10, 2008;
2. Monday, November 24, 2008;
3. Tuesday, November 25, 2008;
4. Wednesday, November 26, 2008;
5. Wednesday, December 24, 2008;
6. Friday, December 26, 2008;
7. Monday, December 29, 2008;
8. Tuesday, December 30, 2008;
9. Wednesday, December 31, 2008; and

(d) **Exception to Standard Furlough Days for Some Employees.** Employees shall adhere to the standard work furlough days shown in Section 10.2, paragraph (c) herein above; except where it is impracticable for certain City departments or operations (such as Police Telecommunication Supervisors, Fire Telecommunication Supervisors, and other public safety and essential services functions). In such cases, eighty (80) furlough hours must be scheduled between the employee and his/her manager or supervisor and the employee must use eighty (80) furlough hours no later than June 30, 2009.

(e) **Maximum Vacation Carryover due to Furlough Occurrences.** In the event the vacation scheduling of eighty (80) furlough hours causes any Association member to exceed the maximum vacation carryover provisions pursuant to Section 9.1 (c) and 9.2 (c), of this Memorandum, such employee shall be allowed to carryover into the 2009 calendar year the equivalent number of vacation hours not used as a result of the furlough occurrence to ensure that
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

the employee is not adversely affected. To the extent any employee exceeds the maximum carryover provisions of Section 9.1 (c), 9.2 (c), of this Memorandum for the 2010 calendar year, such hours shall be automatically cashed out on an hour-for-hour basis at the end of the 2010 calendar year.

(f) **Health and Welfare and Other Benefits Not Affected.** Notwithstanding the occurrence of furloughs, Association members shall continue to receive the full amount and application of all fringe benefits including, without limitation and by way of illustration, City contribution to health and welfare benefits, accrued vacation leave, accrued sick leave, etc.

(g) **Separation from City Service before July 7, 2009.** Any employee who separates from City service before the final 4.444 hour furlough deduction on July 7, 2009, and after having used furlough hours shall have his or her final compensation reduced by the sum of the number of furlough hours the employee has actually used minus the number of furlough hours actually deducted from the employee's pay warrants multiplied by the employee's regular hourly rate of pay. Conversely, any employee who separates from City service before July 7, 2009, having suffered furlough deductions in excess of the actual number of furlough hours the employee has used shall have his or her final compensation credited by a like amount.

(h) **Up to 96 Furlough Hours in Fiscal Year 2009-2010.** Each employee shall be required to schedule and take up to ninety-six (96) furlough hours between July 1, 2009, and June 30, 2010, in the event the City's revenue growth assumptions in the General Fund are 2.5% or less. Payroll deductions for the ninety-six (96) furlough hours in Fiscal Year 2009-2010, if implemented, shall be equalized in the same manner as furlough deductions for Fiscal Year 2008-09 so that each employee shall have up to 4 hours at the employee's regular hourly rate of pay deducted from each of the twenty-four (24) pay warrants in Fiscal Year 2009-2010. The City and the Association shall meet and confer to develop the furlough calendar for Fiscal Year 2009-2010.

CITY OF STOCKTON
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

SECTION 11. OVERTIME

11.1 Eligibility

(a) Mid-Management Level employees do not receive overtime. Mid-Management Level employees in this unit are salaried employees who work whatever time necessary to accomplish duties of their assigned position.

(b) Supervisory Level employees will receive overtime at the appropriate rate when authorized in writing by the Department Head prior to the overtime worked.

(1) The overtime rate as used in the Memorandum of Understanding means one and one-half (1-1/2) times the employee's regular rate of pay.

(2) Employees assigned to an alternate work schedule (e.g. 4/10, 9/80, etc.) shall be compensated at the overtime rate for all time worked in excess of their regularly scheduled hours.

(3) Fire Telecommunications Supervisors assigned to a 56-hour workweek shall be compensated at the overtime rate for all time worked in excess of 56 hours in a seven (7) day workweek.

(4) Except as otherwise provided in section 12, employees shall be paid for a regular day plus time and one-half (1-1/2) for actual time worked on a holiday observed by the City, not to exceed eight (8) hours including employees employed on a per-hour or per-days basis.

(5) Except as otherwise provided in section 12, any time worked on a holiday observed by the City in excess of eight (8) hours shall be paid for at double time and one-half (2-1/2) except for employees on a per hour or per day basis.

(6) Use of vacation leave, sick leave and other paid leaves shall be counted as time worked.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

11.2 Compensatory Time Off (CTO)

(a) **Definition.** As used in this Section, the term Compensatory Time Off (CTO) refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. For the purpose of this Section, Compensatory Time shall apply only to Supervisory Level employees.

(b) **CTO in Lieu of Overtime Compensation.** Except Fire Telecommunications Supervisors assigned to a 56-hour workweek, employees may voluntarily elect to receive overtime compensation in the form of CTO at the rate one and one-half (1-1/2) hours of CTO for each hour of overtime worked in excess of forty (40) hours in a seven (7) day work period, for which the employee is in a paid status.

(c) **Use.** Use of CTO shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of City business. Approval of requests for use of CTO shall be at the sole discretion of the department head, but once approved, cannot be changed unless an emergency situation arises.

(d) **Maximum Accrual.** No more than one-hundred (100) hours of CTO may be carried on the books at any time, except Fire Telecommunications Supervisors assigned to a 56-hour workweek who may not accrue CTO. Once one hundred (100) hours of CTO is accrued on the books, all other hours worked in excess of forty (40) hours in a seven (7) day work period will automatically be paid to the employee. At the end of each calendar year, all CTO will be carried forward (forty (40) hours maximum), unless the employee elects to have the compensatory balance paid. Carryover CTO cannot exceed the forty (40) hours maximum.

Any CTO balance in excess of forty (40) hours remaining at the end of calendar year will automatically be paid to the employee.

(e) **Elimination of CTO for Fire Telecommunications Supervisors.** Effective January 1, 2009, Fire Telecommunications Supervisors assigned to a 56-hour workweek shall no longer accrue or use CTO and shall be paid at their regular rate of pay for all accrued and unused CTO hours on or about January 7, 2009; provided, however, any Fire Telecommunications Supervisors having any approved leave request(s) for CTO for time off work through January 31, 2009, shall be permitted to use the approved CTO leave.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

SECTION 12. HOLIDAYS

12.1 Holidays Observed by the City: (Mid-Management/Supervisory Level)

(a) Employees shall receive the following observed holidays:

<table>
<thead>
<tr>
<th>Observed</th>
<th>Holiday</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) January 1</td>
<td>New Year’s Day</td>
</tr>
<tr>
<td>(2) Third Monday in January</td>
<td>Martin Luther King Jr’s., Birthday</td>
</tr>
<tr>
<td>(3) Second Monday in February</td>
<td>Lincoln’s Birthday</td>
</tr>
<tr>
<td>(4) Third Monday in February</td>
<td>Washington’s Birthday</td>
</tr>
<tr>
<td>(5) March 31 (FLOATING)</td>
<td>Cesar Chavez Day</td>
</tr>
<tr>
<td>(6) Last Monday in May</td>
<td>Memorial Day</td>
</tr>
<tr>
<td>(7) July 4</td>
<td>Independence Day</td>
</tr>
<tr>
<td>(8) First Monday in September</td>
<td>Labor Day</td>
</tr>
<tr>
<td>(9) Second Monday in October</td>
<td>Columbus Day</td>
</tr>
<tr>
<td>(10) November 11</td>
<td>Veteran’s Day</td>
</tr>
<tr>
<td>(11) Fourth Thursday in November</td>
<td>Thanksgiving</td>
</tr>
<tr>
<td>(12) The Friday after Thanksgiving</td>
<td></td>
</tr>
<tr>
<td>(13) December 25</td>
<td>Christmas Day</td>
</tr>
<tr>
<td>(14) Employees’ Birthday</td>
<td></td>
</tr>
</tbody>
</table>

FLOATING holiday to be taken with ninety (90) work days on or after the observed holiday.

(b) In addition, a day appointed by the President or Governor, as a public holiday shall be observed if adopted by the Stockton City Council.

(c) In the event a day appointed by the President or Governor as a public holiday is not adopted by the Stockton City Council pursuant to the above paragraph, the City Manager may, at his discretion, determine that certain City employees will be not be required to work that day, but that certain City offices will remain open at a minimal staffing level. If the City Manager makes such a determination, such staffing shall be at the discretion of the Department Head. Employees who are required to work on that day will earn a "float" day off, to be taken at a time approved, in advance, by the Department Head. The "float" day off must be taken within ninety (90) workdays from the date of the minimally staffed workday. Employees not regularly scheduled to work on that date will have an equivalent number of hours added to their vacation accrual balance.
(d) Birthday Holiday Leave. The department head with due consideration for the wishes of the employee may authorize the birthday holiday to be taken within ninety (90) work days on or after the employee’s birthday.

(e) For employees in the Police Department on a 4/10 work schedule, a holiday will be worth ten (10) hours for the purposes of compensation, until such time the City, in its sole discretion, determines that it is worth eight (8) hours.

(f) Police Telecommunications Supervisors assigned to shifts (phase days) shall receive, in addition to their normal compensation, one day’s pay for each of the holidays listed in 12.1 (a) above, on which the employee does not work, except for the employee’s birthday and floating holiday(s). Such employees required to work a holiday on a hire-back basis, shall be compensated at time and one-half (1½), in addition to their normal compensation (10 hours) and paid holiday (10 hours). Such employees required to work a holiday on a regularly scheduled basis shall be compensated at time and one-half (1½) overtime in addition to their normal compensation (10 hours). The maximum additional compensation subject to CalPERS for working the holiday will be twenty (20) hours.

(g) Fire Telecommunications Supervisors assigned to a 56-hour workweek shall receive, in addition to their normal compensation, one 24-hour shift’s pay for each of the holidays listed in 12.1 (a) above at the rate of 28 hours per month regardless of whether the Fire Telecommunications Supervisor actually works on any or all of the listed holidays. Additionally, Fire Telecommunications Supervisors shall be compensated at the overtime rate for all time actually worked on a holiday (excluding the birthday holiday and floating holiday(s)). The provisions of this section 12.1(e) shall be effective January 1, 2009.

For employees on a Monday through Friday workweek, if holidays fall on a Sunday, the following Monday shall be observed. If holidays fall on Saturday, the preceding Friday shall be observed.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

SECTION 13. COMPENSATION AND ALLOWANCES OTHER THAN BASE SALARY

13.1 Retirement Contribution Supplement

(a) The City will pay seven percent (7%) of the Mid-Management/Supervisory Level employees' current base salary and other compensation as qualified by State law towards the Public Employees' Retirement System (P.E.R.S.). Such amounts will be applied to the employee's individual account in accordance with P.E.R.S. California Government Code Section 20615.

(b) The City's P.E.R.S. retirement plan is modified to reflect two percent (2%) at age 55, effective January 1993.

(c) The City will provide military service credit pursuant to the provisions of P.E.R.S. California Government Code Section 20930.3 and Section 20930.33, at the employee's expense, upon adoption by Stockton City Council and P.E.R.S. Administration Board.

(d) The City will provide P.E.R.S. California Government Code Section 20615.5 (Employer Paid Member Contributions Converted to Payrate During the Final Compensation Period) as added P.E.R.S. benefits. At the beginning of employee's last year of employment, the employee will pay their employees' seven percent (7%) benefit cost through an automatic payroll deduction. The City will increase the base salary for those employees by the same seven percent (7%) for the last twelve (12) months of employment. Internal Revenue Service (IRS) Code 414H (2) will be concurrently implemented with P.E.R.S. California Government Code Section 20615.5, effective upon adoption by the Stockton City Council and P.E.R.S. Administration Board.

(e) The City will provide P.E.R.S. California Government Code Section 20965 (Credit for Unused Sick Leave) as added P.E.R.S. benefits, to be effective upon adoption by the Stockton City Council and P.E.R.S. Administration Board.

(f) The City will provide P.E.R.S. California Government Code Section 21382.5 (Fourth Level of 1959 Survivor Benefits) as added P.E.R.S. benefits, to be effective upon adoption by the Stockton City Council and P.E.R.S. Administration Board.

(g) The City will provide PERS California Government Code Section 21335 (up to five percent 5.0% Annual Cost of Living Allowance Increase) as added PERS benefits, to be effective upon adoption by the Stockton City Council and PERS Administration Board.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

(h) Reopener. The City and the Association agree to reopen Section 13.1 (b) in year 2011 to discuss providing an enhanced miscellaneous retirement formula to employees (e.g. CalPERS 2.7% at age 55, 3% at age 60, etc.). If the parties fail to reach an agreement, the existing provisions of Section 13.1 (b) shall remain unchanged.

13.2 Uniform Allowance

(a) Employees in the following classifications who are required to wear uniforms shall be paid an annual uniform allowance of six-hundred and fifty dollars ($650.00), one-half payable in April and one-half payable in October.

(1) Fire Telecommunications Supervisor;
(2) Police Telecommunications Supervisor;
(3) Property Room Supervisor;
(4) Senior Police Telecommunications Supervisor; and
(5) Supervising Police Records Assistant.

(b) Employees in the following classifications who are required to wear uniforms shall be paid an annual uniform allowance of seven hundred dollars ($700.00), one-half payable in April and one-half payable in October.

(1) Animal Services Supervisor; and
(2) Supervising Evidence Technician.

(c) Employees in the following classifications who are required to wear uniforms shall be paid an annual uniform allowance of seven hundred and twenty-five dollars ($725.00), one-half payable in April and one-half payable in October.

(1) Senior Community Service Officer.

(d) The City shall increase the amount contributed for annual uniform allowance to all of the above classifications in section 13.2 (a), (b), and (c) by fifty dollars ($50.00) effective July 1st of each fiscal year.

(e) Safety Protective Footwear Reimbursement. Employees required to wear safety protective footwear in accordance with City Manager’s Administrative Directive HR-034, and approved for safety protective footwear reimbursement, the City will authorize safety protective footwear reimbursement in the amount of one hundred sixty dollars ($160.00).

13.3 Public Employees’ Retirement System (P.E.R.S.)

The City shall contribute an amount required by the Public Employees’ Retirement
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

System (P.E.R.S.) to retain the present Retirement Program.

13.4 Deferred Compensation

(a) The City will provide at no cost to the employee, deferred compensation as a supplement to voluntary deferred compensation plans, if any, for which the individual employee may be eligible.

(b) Effective July 1, 2012, the City shall contribute a total of one and one-half percent (1.5%) of the employee's current base salary to the employee's deferred compensation account.

(c) Effective July 1, 2013, the City shall contribute an additional one-half percent (0.5%) for a total of two half percent (2.0%) of the employee's current base salary to the employee's deferred compensation account.

13.5 Mileage Reimbursement for Private Vehicle Use

Mid-Management/Supervisory Level employees who use their own vehicle on City business on a consistent and repetitive basis will be compensated at the current Internal Revenue Service (IRS) rate and in accordance with the City Manager's Administrative Directive, MAN-16, Section III. B.

13.6 Educational Incentive Pay

(a) Educational Incentive Pay shall be available for employees hired after April 16, 2000, who have completed twelve (12) months of continuous employment.

(b) Employees with degrees/diplomas above and beyond that is required of their position shall be provided 3% of the top step of the position. Employees are limited to no more than 3% regardless of the number of degrees/diplomas above that required of the position. If the employee promotes to a position, which matches his/her diploma/degree, the 3% will no longer be paid. Experience may not substitute for education. Other formal education/training programs may substitute for the actual degree/diploma.

(c) For employees in a classification requiring a Masters degree, those employees who possess double Masters will be eligible for three percent (3%) education incentive pay.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

13.7 Longevity Pay

(a) The City shall pay each employee who completes twelve (12) continuous years of service with the City, two and one-half percent (2.5%) of the top salary step of the employee’s pay range to the employee as a professional growth.

(b) Reopener. The City and the Association agree to reopen Section 13.7 (a) in year 2011 to discuss modifying the compensation for longevity pay. If the parties fail to reach an agreement, the existing provisions of Section 13.7 (a) shall remain unchanged.

13.8 Call Back Pay

(a) Supervisors only who are called back to work shall be compensated at least two (2) hours and forty-five (45) minutes pay at time and one half (1-1/2) times his/her hourly rate of pay or for all time actually worked at time and one half (1-1/2) times his/her hourly rate of pay, which ever is greater.

(b) To be eligible for call back pay, both of the following conditions must be met: 1) the call back must occur outside of the employee’s regular work hours including overtime, 2) the call back time worked must not be contiguous to the employee’s regular work hours including overtime.

13.9 Standby Duty Pay

Supervisors only who are directed to remain on standby duty during their regular days off shall be paid at the rate of four (4) hours pay at regular time or compensatory time off for each twenty-four (24) hours of standby duty plus one and one-half (1-1/2) time for all time which said supervisors are required to work during such assignment. Standby duty of less than twenty-four (24) hours shall be prorated to the equivalent of four (4) hours pay at regular time.

13.10 Bilingual Pay

Job positions determined by the Department Head requiring bilingual translation skills shall receive a stipend amount of $140.00 per month for verbal translation skills, or $200.00 per month for verbal and written translation skills upon testing and certification by the Human Resources Department.
SECTION 14. INSURANCE PLANS

14.1 Health and Welfare Benefits

(a) The City will provide Mid-Management/Supervisory Level employees with a comprehensive health, dental/orthodontic, vision and prescription insurance program, as designated by the City of Stockton. The premiums for these coverages for employees and their eligible dependents shall be paid by the City for the term of this Memorandum of Understanding.

(b) Effective July 1, 1993, the medical plan is the City's Modified Employee Medical Plan, as amended on February 1, 2008, which is attached as Appendix A and incorporated by this reference.

(c) Effective January 1, 1997, the City will continue the above-stated medical coverage benefits for spouse and eligible dependents upon the death of an employee while employed with the City of Stockton. At age sixty-five (65), the spouse's City medical coverage shall be secondary (supplemental) to Medicare.

(d) Effective January 1, 1997, the lifetime orthodontic maximum is TWO THOUSAND DOLLARS ($2,000.00).

(e) Effective January 1, 2008, the annual dental maximum benefit is ONE THOUSAND FOUR HUNDRED DOLLARS ($1,400.00).

(f) Beginning January 1, 2009, the Association agrees to participate in a joint labor-management committee to develop strategies to reduce the City's healthcare costs while maintaining access to quality healthcare.

(g) Reopener. The City and Association shall meet and confer in calendar year 2011 to discuss an employee contribution toward Health, Dental, Vision and Prescription Benefits provided under Section 14.1. If the parties fail to reach agreement, the existing provision of Section 14.1 shall remain unchanged.

14.2 Group Life Insurance Coverage

Each participant in the program will receive group life insurance coverage paid for by the City of Stockton.

(a) Mid-Management Level employees will receive life insurance coverage equal to two and three-quarter (2.75) times their annual salary.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

(b) Supervisory Level employees will receive life insurance coverage equal to two (2) times their annual salary. In all instances, coverage will be rounded to the nearest ONE THOUSAND DOLLARS ($1,000).

14.3 Long Term Disability Insurance Coverage

Mid-Management/Supervisory Level employees will receive long term disability insurance coverage. Essentially, this is an income protection plan, which provides disability income for Mid-Management/Supervisory Level employees including:

(a) Each disability - approximately 66 2/3% of salary.

(b) A 30-day waiting period before eligibility for benefit.

(c) Benefit payable until age sixty-five (65).

14.4 Retirement Medical Allowance for Employees Hired Prior to January 1, 2009

(a) The City will contribute all premiums necessary 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 shall be determined by the eligible date noted below.

(1) Normal Service Retirement

Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to April 1, 1983, and who have retired at age fifty (50) or later. Such allowance shall terminate at age sixty-five (65).

(2) Disability Retirement

Eligibility for the allowance provided by this Section is limited to employees who have retired subsequent to April 1, 1983, and such allowance shall be limited to a maximum of fifteen (15) years or the attainment of age sixty-five (65), whichever occurs first.

(b) Major Medical Deductible

The major medical deductible will be ONE HUNDRED DOLLARS ($100) per person for those individuals who retired prior to January 1, 1993, and had retiree medical coverage under the original City Employee Medical Plan.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

(c) Prescription Coverage

Prescription coverage will be provided for retirees.

14.5 Retirement Medical Supplement for Employees Hired Prior to January 1, 2009

Employees hired before January 1, 2009, who are eligible for retirement medical allowance under section 14.4, which includes one (1) eligible dependent, will continue to be covered under the City’s Modified Employee Medical Plan, when they reach age sixty-five (65), as supplemental and secondary coverage to Medicare, or any other medical plan available through the employee or the employee’s spouse. The affected employee shall be responsible for paying any associated costs for Medicare coverage Part A and B.

14.6 Defined Contribution for Retiree Medical for Employees Hired on or After January 1, 2009

(a) Employees hired on or after January 1, 2009, shall have retiree health benefits provided under a City-established defined contribution Retiree Medical Trust ("Trust").

(b) Employees hired on or after January 1, 2009, shall contribute three percent (3%) of their base salary to the Trust. Additionally, the City shall contribute to the Trust an amount equal to two percent (2%) of the employee’s base salary. Thus, the combined total of the City and the employee contribution to the Trust shall be five percent (5%).

(c) Employees hired on or after January 1, 2009, the amount of any distribution will depend entirely on the amount of the employee and City contributions and the terms of the Trust.

(d) Employees hired on or after January 1, 2009, shall not be eligible for either the regular Retiree Medical Allowance (to age 65) or the Supplemental Allowance (after age 65) as set forth in section 14.4 (a), (b), (c) and section 14.5 of this Memorandum of Understanding.
14.7 **Retiree Medical Trust for Unit Members Hired on or After January 1, 2009**

(a) As soon as practicable, after January 1, 2009, the City shall establish a Retiree Medical Trust ("Trust") that will be governed by Trustees selected by the Association and the City for purposes of receiving employee and City contributions, and for paying a monthly distribution to the City’s health plan to subsidize premiums on behalf of eligible retirees.

(b) The City will seek an IRS ruling so that employee and City contributions will be pre-tax, including the contribution of employee accrued sick leave pay-off. The City will also seek tax-exempt status for the Trust’s earnings and the benefits paid from the Trust.
15.1 Salary Adjustments

(a) Effective on each of the following six (6) listed dates, the City shall increase the salaries of all bargaining unit employees by a percentage based on the Revenue Growth Formula of ninety percent (90%) of the actual growth from the prior year in the City of Stockton’s General Fund for: (1) property tax; (2) sales and use tax; (3) utility user tax; and (4) business license tax as determined by comparing the actual year-end amounts reported in the Comprehensive Annual Financial Reports (CAFRs) according to the following table; provided, however, that each salary increase shall be not less than two and one-half percent (2.5%) and not more than seven percent (7.0%).

<table>
<thead>
<tr>
<th>Date of Salary Increase</th>
<th>Fiscal Years Used to Determine Revenue Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1, 2009</td>
<td>90% of revenue growth from FY 2007-2008 compared to FY 2006-2007</td>
</tr>
<tr>
<td>July 1, 2010</td>
<td>90% of revenue growth from FY 2008-2009 compared to FY 2007-2008</td>
</tr>
<tr>
<td>July 1, 2011</td>
<td>90% of revenue growth from FY 2009-2010 compared to FY 2008-2009</td>
</tr>
<tr>
<td>July 1, 2012</td>
<td>90% of revenue growth from FY 2010-2011 compared to FY 2009-2010</td>
</tr>
<tr>
<td>July 1, 2013</td>
<td>90% of revenue growth from FY 2011-2012 compared to FY 2010-2011</td>
</tr>
<tr>
<td>June 30, 2014</td>
<td>90% of revenue growth from FY 2012-2013 compared to FY 2011-2012</td>
</tr>
</tbody>
</table>

(b) The City agrees to notify the Association of any change in accounting procedures, legislative changes, and the like, that may materially affect the determination of growth in City revenues as described in Section 15.1(a), and to negotiate with the Association an agreed-upon Revenue Growth Formula should any such change occur.

(c) In the event the City hereafter agrees to a higher percentage than ninety percent (90%) of any index for any other employee organization or group for determination of salary adjustments, the City shall notify the Association and the higher percentage shall also apply to the Association when determining salary adjustments (i.e., percentage increase shall match other labor groups).

(d) Reopener. The City and the Association agree to reopen in year 2011 this section 15.1 (a) to discuss the revenue growth formula used to determine
across-the-board salary increases. If the parties fail to reach an agreement on any changes that may be proposed by either party, the existing provisions of section 15.1 (a) shall remain unchanged.

(e) Effective July 1, 2009, salary adjustments shall no longer be fitted to the City of Stockton Salary Schedule Matrix, as set forth in the City of Stockton’s Salary Schedule.

15.2 Salary Equivalents

Any monthly, daily or hourly rate of pay may be converted into any equivalent rate of pay or to any other time base when such a conversion is appropriate. In determining equivalent amounts on different time basis, the City shall provide tables or the 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.

15.3 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.

15.4 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 Director of Human Resources.

15.5 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 range of the higher rank which is at least five percent (5%) above the rate the employee has been receiving, except that the next 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 class to which demoted.
15.6 **Salary On Reinstatement**

If a former employee is reinstated in 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.

15.7 **Acting Pay**

An 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 after five (5) days, 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.

The increased rate of pay will commence with the first day of the assignment; however, to qualify the employee must meet the above conditions before being eligible for Acting Pay.

15.8 **Pay Equity Adjustments**

The City recognizes that there may be a need for special salary adjustments for selected classifications as a result of recruitment problems, reclassifications, and/or organizational changes. The City, in its sole discretion, may make such adjustments, but agrees to discuss with the Association.

15.9 **Special Assignment Pay**

The department head and with the concurrence of the Director of Human Resources may approve additional compensation in an amount not to exceed one additional salary step when an employee is assigned to perform additional duties and responsibilities for the duration of the special assignment.

15.10 **Salary Survey Implementation**

The salary recommendations contained in the Fiscal Year 2007 Classification and Compensation Survey shall be implemented in the following manner:

(a) Effective July 1, 2009, the City shall implement the results of the classification and compensation salary survey (Appendix B) by increasing the base salary of the affected classifications by seventy percent (70%) of the dollar amount shown on Appendix B.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

(b) Effective July 1, 2010, the City shall further implement the results of the classification and compensation salary survey (Appendix B) by increasing the base salary of the affected classifications by the remaining thirty percent (30%) of the dollar amount shown on Appendix B.

(c) The City shall conduct a Classification and Compensation Study base on July 1, 2011, classification and compensation data; however, the City shall have no obligation to implement the survey data findings. The data gathered shall be used for information and discussion purposes between the City and the Association during the re-opener period in July 2011 of the labor agreement.

15.11 Emergency Medical Services (EMS) Dispatcher Accreditation Pay

(a) The City and the Association acknowledge that California Health and Safety Code section 1797.220 directs the local emergency medical services (EMS) agency to establish policies and procedures to assure medical control of the emergency medical system.

(b) The City and the Association acknowledge that as of July 1, 2008, the San Joaquin County EMS Agency requires all employees of agencies providing emergency medical dispatch (EMD) services to possess and maintain accreditation through San Joaquin County, to include compliance with EMS Agency and National Academies of Emergency Dispatch (NAED) policies, procedures, protocol, and standards. Fire Telecommunications Supervisors are among those employees represented by the Association who must acquire and maintain accreditation by the San Joaquin County EMS Agency as a condition of providing EMD services for the City.

(c) The City and the Association acknowledge that in the event the San Joaquin County EMS Agency rescinds the certification of any bargaining unit employee as a result of any dispute arising from the exercise of the power set forth in San Joaquin County EMS Agency Policy No. 2101 (or any successor or similar policy), the City will make every effort, insofar as practicable and fiscally responsible, to employ such persons in positions for which such employees are qualified or may become qualified within a reasonable period of time and that do not require accreditation by the San Joaquin County EMS Agency.
(d) **Emergency Medical Services (EMS) Dispatcher Accreditation Pay.** Effective January 1, 2009, the City shall compensate all Fire Telecommunications Supervisors who are accredited as San Joaquin County Emergency Medical Services Dispatchers an additional one-hundred seventy five dollars ($175) per month. If the employee fails to maintain the accreditation or if the accreditation is no longer required for the position, payment of the stipend shall cease.

(e) **Continuing Education for Emergency Medical Dispatchers.** The City shall provide to Fire Telecommunications Supervisors all necessary EMD continuing education during normal working hours and at no cost to the employee. However, employees who do not participate in the EMD training offered by the City during normal working hours shall be responsible to complete the necessary continuing education on their own time without additional compensation; provided, however, that all necessary ride-along hours shall be compensated as time worked.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

SECTION 16. SEVERABILITY OF PROVISIONS

In the event that any provisions of this Memorandum of Understanding are declared by the 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. PAST 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.

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.

SECTION 19. DURATION OF AGREEMENT

All provisions of this Memorandum of Understanding shall be effective January 1, 2009, shall remain in full force and effect to and including the 30th day of June, 2014 and shall continue thereafter from year to year unless at least sixty (60) days prior to the expiration date of June 30, 2014, either party shall file written notice with the other of its desire to amend, modify, or terminate this Memorandum of Understanding.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

SECTION 20. MAINTENANCE OF OPERATIONS/CITY RIGHTS

(a) It is recognized that the need for continued and uninterrupted operation of City services is of paramount importance. Therefore, the Association and each employee represented thereby agrees that from 12:01 a.m. of January 1, 2009, through and inclusive of June 30, 2014, the Association or any person acting in its behalf, or each employee in a classification represented by the Association shall not cause, authorize, engage in, encourage, or sanction a work stoppage, slowdown, 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. The City may take other action, which 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 Association, the City may take such remedial action, as it deems appropriate.

(d) The Association recognizes the duty and obligation of its representatives and members to comply with the provisions toward inducing all employees in this unit to fully and faithfully perform their duties. In the event of any activity prohibited by subsection (a) hereinabove, the Association agrees to take supererogatory steps necessary to assure compliance with this Memorandum of Understanding.

(e) The rights of the City as set forth in Section 5 of Resolution No. 32,538, dated August 4, 1975, are incorporated herein by reference.
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

IN WITNESS WHEREOF the parties hereto have executed this Memorandum of Understanding this 12th day of December 2008.

STOCKTON MANAGEMENT B & C ASSOCIATION

Peaches Ehrich
President

Patti Johnson
Vice-President

Robert Applegate
Board Member

CITY OF STOCKTON, a municipal corporation

J. Gordon Palmer, Jr.
City Manager

Diana R. Garcia
Director of Human Resources

Dionysia Smith
Assistant Director of Human Resources

Ethel Francois
Deputy Director of Human Resources

Approved as to form:
Goyette & Associates, Inc.

By:
Kim Gillingham
Labor Representative for Association

Approved as to form:
Ren Nosky, City Attorney

By:
Michon Johnson
Deputy City Attorney

CITY OF STOCKTON
## Appendix A - City of Stockton’s Modified Employee Medical Plan (Benefit Recap)

<table>
<thead>
<tr>
<th>SERVICE</th>
<th>% PAID</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$2,000,000 Lifetime $ Maximum</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deductible</td>
<td>$150.00 per person, per year ($450.00 per family)</td>
<td></td>
</tr>
<tr>
<td>Acupuncture</td>
<td>60%</td>
<td>Limited to 12 visits per calendar year.</td>
</tr>
<tr>
<td>Alcohol and Drug Treatment (Substance Abuse Benefit)</td>
<td>100%</td>
<td>Three residential treatment programs per lifetime per member, of up to 30 days each, as follows: 1st Admission: 100%; 2nd Admission: 75%; 3rd Admission: 50%. Must initiate through the City’s E.A.P. Program. For active &amp; family members only, not retirees.</td>
</tr>
<tr>
<td>Ambulance</td>
<td>80%</td>
<td>Ground or Air.</td>
</tr>
<tr>
<td>Annual Physical/Preventive Care</td>
<td>80%</td>
<td>Based on specific guidelines and services recommended by the physician. (80% office visit), (100% for lab/diagnostic).</td>
</tr>
<tr>
<td>Office Visit / Lab/Diagnostic</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Chiropractic Visits</td>
<td>80%</td>
<td>Of allowable amounts. Subject to utilization review.</td>
</tr>
<tr>
<td>Emergency Physician</td>
<td>100%</td>
<td>For surgery or for other approved emergency services. (Non-emergency illness 50%).</td>
</tr>
<tr>
<td>Emergency Room</td>
<td>100%</td>
<td>1st treatment of accident injury within 72 hours if health endangering or life threatening acute illness. Otherwise 50%.</td>
</tr>
<tr>
<td>Hearing Aids</td>
<td>80%</td>
<td>Lifetime max of $6,000 per member.</td>
</tr>
<tr>
<td>Home Health Care and Hospice</td>
<td>100%</td>
<td>Subject to Case Management.</td>
</tr>
<tr>
<td>Hospitalization</td>
<td>100%</td>
<td>Semi-private room rate. Pre-admit certification required if non-emergency. Concurrent utilization review required if non-member hospital used in area where member hospitals are available (70%).</td>
</tr>
<tr>
<td>Inpatient Psychiatric</td>
<td>80%</td>
<td></td>
</tr>
<tr>
<td>Other Covered Services/Supplies</td>
<td>varies</td>
<td>See Plan document for complete list.</td>
</tr>
<tr>
<td>Outpatient Mental or Nervous Disorder Treatment</td>
<td>80%</td>
<td>First 5 visits per year, 60% next 10 visits per year. (Maximum 15 visits per year. Must initiate through the City’s E.A.P. Program.)</td>
</tr>
<tr>
<td>Outpatient Radiology/Lab</td>
<td>100%</td>
<td>Includes Preventive care: pap smear, mammogram, prostate, and other covered services.</td>
</tr>
<tr>
<td>Physicians Office Visits</td>
<td>80%</td>
<td></td>
</tr>
<tr>
<td>Pregnancy</td>
<td>100%</td>
<td>Normal or C-Section for employee or spouse/registered domestic partner.</td>
</tr>
<tr>
<td>Prescription Drug Program</td>
<td>100%</td>
<td>After $3 Generic / $8 Brand name, co-pay for up to 60 day supply of prescription drugs &amp; Insulin. No vitamins. (Note: Does not apply to deductible or maximum out-of-pocket).</td>
</tr>
<tr>
<td>Radiation/Chemotherapy/Dialysis</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Surgeon/Anesthesiologist</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Therapy Benefits</td>
<td>100%</td>
<td>100% of allowed amount for physical, respiratory and cardiac therapy; and speech therapy following surgery, injury or non-congenital organic disease. <strong>UTILIZATION REVIEW REQUIRED.</strong></td>
</tr>
</tbody>
</table>

---

**CITY OF STOCKTON**

---
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.

The Benefit Recap is to be used strictly for a brief overview of benefits provided by the medical plan. Please refer to the Plan Document for detailed coverage information. All services/supplies must be medically necessary with (the exception of preventive care).
**MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)**

**APPENDIX B – CITY OF STOCKTON 2007 CLASSIFICATION AND COMPENSATION STUDY**

City of Stockton

Multi-Year Adjustments by Bargaining Unit (No Inflation)
( Employees in Below Market Job Classes and Annual Adjustment Costs)

<table>
<thead>
<tr>
<th>Bargaining Unit</th>
<th># of Employees</th>
<th>Total Payroll of Barg Unit</th>
<th># of Employees Adjusted</th>
<th>Total Dollar Amount of Increase</th>
<th>7/1/2009</th>
<th>7/1/2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>04-Mid Management</td>
<td>26</td>
<td>$3,058,512.00</td>
<td>16</td>
<td>$50,616.76</td>
<td>$35,431.73</td>
<td>$15,185.03</td>
</tr>
<tr>
<td>05-Supervisory</td>
<td>130</td>
<td>$9,781,556.00</td>
<td>59</td>
<td>$244,593.36</td>
<td>$171,215.35</td>
<td>$73,378.01</td>
</tr>
<tr>
<td><strong>Totals:</strong></td>
<td><strong>156</strong></td>
<td><strong>$12,830,068.00</strong></td>
<td><strong>75</strong></td>
<td><strong>$295,210.12</strong></td>
<td><strong>$206,647.08</strong></td>
<td><strong>$88,563.04</strong></td>
</tr>
</tbody>
</table>

Total Cost over 2 years: $295,210.12

Stockton Management B Classifications listed below are base salaries under market and will receive an increase based on the 2007 Classification and Compensation Study

<table>
<thead>
<tr>
<th>Class Code</th>
<th>Current Job Classification Title</th>
<th>Group</th>
<th>Top Step Annual Base Salary as of 12/01/08</th>
<th>% Under Market Variance</th>
<th>$ Under Market Variance</th>
<th>1st Increase</th>
<th>2nd Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>04159</td>
<td>Fleet and Facilities Manager</td>
<td>MB</td>
<td>$104,472</td>
<td>8.14%</td>
<td>$8,506.46</td>
<td>$5,954.54</td>
<td>$2,561.94</td>
</tr>
<tr>
<td>04145</td>
<td>Planning Manager</td>
<td>MB</td>
<td>$104,472</td>
<td>7.00%</td>
<td>$7,314.07</td>
<td>$5,119.85</td>
<td>$2,194.22</td>
</tr>
<tr>
<td>04121</td>
<td>Deputy Information Technology Director</td>
<td>MB</td>
<td>$110,820</td>
<td>5.30%</td>
<td>$5,874.14</td>
<td>$4,111.90</td>
<td>$1,762.24</td>
</tr>
<tr>
<td>04131</td>
<td>Deputy Director of Parks and Recreation</td>
<td>MB</td>
<td>$118,020</td>
<td>4.11%</td>
<td>$4,650.62</td>
<td>$3,395.44</td>
<td>$1,455.19</td>
</tr>
<tr>
<td>04149</td>
<td>Deputy Community Development Director/Building</td>
<td>MB</td>
<td>$129,876</td>
<td>2.71%</td>
<td>$3,523.31</td>
<td>$2,466.32</td>
<td>$1,056.99</td>
</tr>
<tr>
<td>04198</td>
<td>Revenue Officer</td>
<td>MB</td>
<td>$99,984</td>
<td>1.95%</td>
<td>$1,953.65</td>
<td>$1,367.56</td>
<td>$586.10</td>
</tr>
<tr>
<td>04146</td>
<td>Deputy Community Development Director/Planning</td>
<td>MB</td>
<td>$129,876</td>
<td>1.83%</td>
<td>$2,373.74</td>
<td>$1,661.62</td>
<td>$712.12</td>
</tr>
<tr>
<td>04151</td>
<td>Deputy PW Director/Operations &amp; Maintenance</td>
<td>MB</td>
<td>$134,760</td>
<td>1.61%</td>
<td>$2,165.14</td>
<td>$1,515.60</td>
<td>$649.54</td>
</tr>
<tr>
<td>04128</td>
<td>Parks Superintendent</td>
<td>MB</td>
<td>$99,984</td>
<td>0.86%</td>
<td>$661.45</td>
<td>$463.01</td>
<td>$196.43</td>
</tr>
<tr>
<td>04124</td>
<td>Community &amp; Cultural Services Superintendent</td>
<td>MB</td>
<td>$99,984</td>
<td>0.86%</td>
<td>$661.45</td>
<td>$463.01</td>
<td>$196.43</td>
</tr>
</tbody>
</table>

CITY OF STOCKTON
MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVISORY LEVEL)

<table>
<thead>
<tr>
<th>Code</th>
<th>Group</th>
<th>Current Job Classification Title</th>
<th>Top Step Annual Base Salary as of 12/01/08</th>
<th>% Under Market Variance</th>
<th>$ Under Market Variance</th>
<th>1st increase</th>
<th>2nd increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>04130</td>
<td>MB</td>
<td>Recreation Superintendent</td>
<td>$96,984</td>
<td>0.66%</td>
<td>$659.89</td>
<td>$461.93</td>
<td>$197.07</td>
</tr>
<tr>
<td>04163</td>
<td>MB</td>
<td>Engineering Services Manager</td>
<td>$124,728</td>
<td>0.58%</td>
<td>$729.39</td>
<td>$510.57</td>
<td>$218.82</td>
</tr>
</tbody>
</table>

Stockton Management C Classifications listed below are base salaries under market and will receive an increase based on the 2007 Classification and Compensation Study.

<table>
<thead>
<tr>
<th>Code</th>
<th>Group</th>
<th>Current Job Classification Title</th>
<th>Top Step Annual Base Salary as of 12/01/08</th>
<th>% Under Market Variance</th>
<th>$ Under Market Variance</th>
<th>1st increase</th>
<th>2nd increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>05727</td>
<td>MC</td>
<td>Supervising Evidence Technician</td>
<td>$85,052</td>
<td>16.92%</td>
<td>$11,007.67</td>
<td>$7,705.37</td>
<td>$3,302.30</td>
</tr>
<tr>
<td>05635</td>
<td>MC</td>
<td>Property Room Supervisor</td>
<td>$62,880</td>
<td>14.23%</td>
<td>$8,314.15</td>
<td>$6,252.40</td>
<td>$2,604.74</td>
</tr>
<tr>
<td>05197</td>
<td>MC</td>
<td>Geographic Information Systems Supervisor</td>
<td>$85,884</td>
<td>13.08%</td>
<td>$11,233.63</td>
<td>$7,863.54</td>
<td>$3,370.09</td>
</tr>
<tr>
<td>05108</td>
<td>MC</td>
<td>Technology Systems Supervisor</td>
<td>$85,884</td>
<td>12.56%</td>
<td>$10,787.03</td>
<td>$7,550.92</td>
<td>$2,356.11</td>
</tr>
<tr>
<td>05270</td>
<td>MC</td>
<td>Risk/Loss Control Officer</td>
<td>$70,896</td>
<td>10.67%</td>
<td>$6,564.60</td>
<td>$5,295.22</td>
<td>$2,269.38</td>
</tr>
<tr>
<td>05220</td>
<td>MC</td>
<td>Code Enforcement Field Manager</td>
<td>$73,116</td>
<td>10.58%</td>
<td>$7,724.16</td>
<td>$5,406.91</td>
<td>$2,317.25</td>
</tr>
<tr>
<td>05348</td>
<td>MC</td>
<td>Senior Economic Development Analyst</td>
<td>$80,400</td>
<td>10.20%</td>
<td>$8,200.80</td>
<td>$5,740.56</td>
<td>$2,460.24</td>
</tr>
<tr>
<td>05349</td>
<td>MC</td>
<td>Program Manager I</td>
<td>$79,524</td>
<td>9.39%</td>
<td>$7,467.30</td>
<td>$5,227.11</td>
<td>$2,240.19</td>
</tr>
<tr>
<td>05173</td>
<td>MC</td>
<td>Program Manager II</td>
<td>$88,680</td>
<td>9.39%</td>
<td>$8,327.05</td>
<td>$5,828.94</td>
<td>$2,498.12</td>
</tr>
<tr>
<td>05169</td>
<td>MC</td>
<td>Senior Administrative Analyst</td>
<td>$79,908</td>
<td>9.39%</td>
<td>$7,475.19</td>
<td>$5,352.63</td>
<td>$2,222.56</td>
</tr>
<tr>
<td>05218</td>
<td>MC</td>
<td>Supervising Public Works Inspector</td>
<td>$76,716</td>
<td>8.55%</td>
<td>$6,557.12</td>
<td>$4,589.98</td>
<td>$1,967.14</td>
</tr>
<tr>
<td>05214</td>
<td>MC</td>
<td>Code Enforcement Supervisor</td>
<td>$89,900</td>
<td>8.47%</td>
<td>$5,920.53</td>
<td>$4,144.37</td>
<td>$1,776.16</td>
</tr>
<tr>
<td>05485</td>
<td>MC</td>
<td>Supervising Combination Inspector</td>
<td>$76,716</td>
<td>8.20%</td>
<td>$6,291.29</td>
<td>$4,403.90</td>
<td>$1,887.39</td>
</tr>
<tr>
<td>05212</td>
<td>MC</td>
<td>Fleet Operations Coordinator</td>
<td>$78,180</td>
<td>8.14%</td>
<td>$6,365.69</td>
<td>$4,455.99</td>
<td>$1,909.71</td>
</tr>
<tr>
<td>05301</td>
<td>MC</td>
<td>Fleet Manager</td>
<td>$88,236</td>
<td>8.14%</td>
<td>$7,182.41</td>
<td>$5,027.69</td>
<td>$2,154.72</td>
</tr>
<tr>
<td>05459</td>
<td>MC</td>
<td>Micro-Computer Section Supervisor</td>
<td>$89,552</td>
<td>5.82%</td>
<td>$4,047.93</td>
<td>$2,833.55</td>
<td>$1,218.34</td>
</tr>
<tr>
<td>05199</td>
<td>MC</td>
<td>Network Support Services Supervisor</td>
<td>$85,884</td>
<td>5.82%</td>
<td>$4,998.45</td>
<td>$3,498.91</td>
<td>$1,499.53</td>
</tr>
<tr>
<td>05293</td>
<td>MC</td>
<td>Animal Services Supervisor</td>
<td>$87,236</td>
<td>5.49%</td>
<td>$3,991.26</td>
<td>$2,563.86</td>
<td>$1,107.38</td>
</tr>
<tr>
<td>05154</td>
<td>MC</td>
<td>Senior Buyer</td>
<td>$88,184</td>
<td>3.74%</td>
<td>$2,552.35</td>
<td>$1,786.65</td>
<td>$765.71</td>
</tr>
<tr>
<td>05343</td>
<td>MC</td>
<td>Arborist</td>
<td>$69,900</td>
<td>2.91%</td>
<td>$2,032.64</td>
<td>$1,422.84</td>
<td>$609.79</td>
</tr>
<tr>
<td>05345</td>
<td>MC</td>
<td>Recreation Supervisor</td>
<td>$69,900</td>
<td>2.88%</td>
<td>$2,013.15</td>
<td>$1,406.21</td>
<td>$603.95</td>
</tr>
<tr>
<td>05274</td>
<td>MC</td>
<td>Parks Supervisor</td>
<td>$59,220</td>
<td>2.86%</td>
<td>$1,705.54</td>
<td>$1,193.88</td>
<td>$511.66</td>
</tr>
<tr>
<td>05471</td>
<td>MC</td>
<td>Senior Golf Course Supervisor</td>
<td>$75,348</td>
<td>2.88%</td>
<td>$2,170.02</td>
<td>$1,516.02</td>
<td>$651.01</td>
</tr>
<tr>
<td>05470</td>
<td>MC</td>
<td>Senior Parks Supervisor</td>
<td>$75,348</td>
<td>2.88%</td>
<td>$2,170.02</td>
<td>$1,516.02</td>
<td>$651.01</td>
</tr>
<tr>
<td>05425</td>
<td>MC</td>
<td>Supervising Librarian</td>
<td>$73,116</td>
<td>2.82%</td>
<td>$2,061.87</td>
<td>$1,443.31</td>
<td>$618.66</td>
</tr>
<tr>
<td>05925</td>
<td>MC</td>
<td>Reprographics Supervisor</td>
<td>$90,420</td>
<td>2.73%</td>
<td>$1,651.15</td>
<td>$1,155.81</td>
<td>$495.35</td>
</tr>
<tr>
<td>05455</td>
<td>MC</td>
<td>Supervising Accountant</td>
<td>$85,968</td>
<td>2.00%</td>
<td>$1,716.93</td>
<td>$1,203.25</td>
<td>$515.68</td>
</tr>
<tr>
<td>05286</td>
<td>MC</td>
<td>Deputy Building Official</td>
<td>$99,984</td>
<td>1.91%</td>
<td>$1,912.14</td>
<td>$1,336.49</td>
<td>$573.64</td>
</tr>
<tr>
<td>05522</td>
<td>MC</td>
<td>Fire Telecommunications Supervisor (10-12 hour)</td>
<td>$71,172</td>
<td>1.70%</td>
<td>$1,209.92</td>
<td>$846.95</td>
<td>$362.88</td>
</tr>
<tr>
<td>05518</td>
<td>MC</td>
<td>Fire Telecommunications Supervisor (24-hour)</td>
<td>$71,172</td>
<td>1.70%</td>
<td>$1,209.92</td>
<td>$846.95</td>
<td>$362.88</td>
</tr>
<tr>
<td>05541</td>
<td>MC</td>
<td>Police Telecommunications Supervisor</td>
<td>$71,172</td>
<td>1.70%</td>
<td>$1,209.92</td>
<td>$846.95</td>
<td>$362.88</td>
</tr>
<tr>
<td>05201</td>
<td>MC</td>
<td>Senior Police Telecommunications Supervisor</td>
<td>$80,964</td>
<td>1.70%</td>
<td>$1,373.15</td>
<td>$961.20</td>
<td>$411.64</td>
</tr>
<tr>
<td>05226</td>
<td>MC</td>
<td>Plan Check Engineer</td>
<td>$92,292</td>
<td>1.66%</td>
<td>$1,529.81</td>
<td>$1,070.87</td>
<td>$458.94</td>
</tr>
<tr>
<td>05400</td>
<td>MC</td>
<td>Supervising Mechanic</td>
<td>$70,536</td>
<td>1.48%</td>
<td>$1,047.43</td>
<td>$733.20</td>
<td>$314.23</td>
</tr>
<tr>
<td>05117</td>
<td>MC</td>
<td>Supervising Plan Checker/Structural Engineer</td>
<td>$103,332</td>
<td>1.08%</td>
<td>$1,115.99</td>
<td>$781.19</td>
<td>$334.80</td>
</tr>
</tbody>
</table>

CITY OF STOCKTON 52
## MEMORANDUM OF UNDERSTANDING (MID-MANAGEMENT/SUPERVisory LEVEL)

<table>
<thead>
<tr>
<th>Class Code</th>
<th>Current Job Classification Title</th>
<th>Group</th>
<th>Top Step Annual Base Salary as of 12/01/08</th>
<th>% Over Market Variance</th>
<th>$ Over Market Variance</th>
<th>1st increase</th>
<th>2nd increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>04109</td>
<td>Engineering Manager/Assist MUD Director</td>
<td>MB</td>
<td>$140,940</td>
<td>11.27%</td>
<td>$15,889.48</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04158</td>
<td>City Traffic Engineer</td>
<td>MB</td>
<td>$124,728</td>
<td>9.60%</td>
<td>$11,976.49</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04179</td>
<td>Deputy Redevelopment Director</td>
<td>MB</td>
<td>$118,020</td>
<td>9.40%</td>
<td>$11,097.78</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04178</td>
<td>Deputy Housing Director</td>
<td>MB</td>
<td>$118,020</td>
<td>7.10%</td>
<td>$8,383.59</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04177</td>
<td>Deputy Economic Development Director</td>
<td>MB</td>
<td>$118,020</td>
<td>3.40%</td>
<td>$4,009.09</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04155</td>
<td>Purchasing Agent</td>
<td>MB</td>
<td>$99,884</td>
<td>2.94%</td>
<td>$2,942.60</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04139</td>
<td>Deputy Director MUD/Wastewater</td>
<td>MB</td>
<td>$124,248</td>
<td>2.73%</td>
<td>$3,390.25</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04164</td>
<td>Deputy Director MUD/Water Resource Planning</td>
<td>MB</td>
<td>$134,760</td>
<td>2.73%</td>
<td>$3,677.08</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04142</td>
<td>Deputy PW Director/Solid Waste &amp; Building</td>
<td>MB</td>
<td>$106,584</td>
<td>2.47%</td>
<td>$2,632.62</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04160</td>
<td>Solid Waste Manager</td>
<td>MB</td>
<td>$99,884</td>
<td>2.08%</td>
<td>$2,063.68</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04107</td>
<td>Deputy Director of Library Services</td>
<td>MB</td>
<td>$118,020</td>
<td>1.89%</td>
<td>$2,230.18</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04147</td>
<td>Deputy Director MUD/Stormwater</td>
<td>MB</td>
<td>$124,248</td>
<td>1.56%</td>
<td>$1,938.27</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04122</td>
<td>Deputy Director MUD/Wastewater (PE)</td>
<td>MB</td>
<td>$134,760</td>
<td>1.56%</td>
<td>$2,102.26</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04127</td>
<td>Deputy Director MUD/Water &amp; Collection Systems (PE)</td>
<td>MB</td>
<td>$124,248</td>
<td>1.56%</td>
<td>$1,938.27</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04196</td>
<td>Deputy Director MUD/Water &amp; Collection Systems (PE)</td>
<td>MB</td>
<td>$134,760</td>
<td>1.56%</td>
<td>$2,102.26</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04123</td>
<td>Deputy Director MUD/Water &amp; Sewer (PE)</td>
<td>MB</td>
<td>$134,760</td>
<td>1.56%</td>
<td>$2,102.26</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04309</td>
<td>Deputy PW Director/City Engineer</td>
<td>MB</td>
<td>$140,840</td>
<td>1.37%</td>
<td>$1,933.25</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04163</td>
<td>Engineering Services Manager</td>
<td>MB</td>
<td>$124,728</td>
<td>0.58%</td>
<td>$728.39</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04156</td>
<td>Geographic Information Systems Manager</td>
<td>MB</td>
<td>$85,800</td>
<td>0.00%</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>04157</td>
<td>Management Information Systems Manager</td>
<td>MB</td>
<td>$85,800</td>
<td>0.00%</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

**Stockton Management C Classifications listed below are base salaries over market and will not receive an increase based on the 2007 Classification and Compensation Study**

<table>
<thead>
<tr>
<th>Class Code</th>
<th>Current Job Classification Title</th>
<th>Group</th>
<th>Top Step Annual Base Salary as of 12/01/08</th>
<th>% Over Market Variance</th>
<th>$ Over Market Variance</th>
<th>1st increase</th>
<th>2nd increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>05880</td>
<td>Materials Supervisor</td>
<td>MC</td>
<td>$70,896</td>
<td>15.19%</td>
<td>$10,766.10</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>05210</td>
<td>Geographic Information Systems Administrator</td>
<td>MC</td>
<td>$73,116</td>
<td>13.09%</td>
<td>$9,583.57</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>05496</td>
<td>Facilities Maintenance Supervisor</td>
<td>MC</td>
<td>$61,884</td>
<td>10.19%</td>
<td>$6,305.98</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>05473</td>
<td>Senior Facilities Maintenance Supervisor</td>
<td>MC</td>
<td>$90,004</td>
<td>10.19%</td>
<td>$8,152.41</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>05336</td>
<td>Budget Analyst I</td>
<td>MC</td>
<td>$56,784</td>
<td>7.57%</td>
<td>$4,298.55</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

**CITY OF STOCKTON**

53
<table>
<thead>
<tr>
<th>Code</th>
<th>Job Title</th>
<th>Location</th>
<th>Annual Compensation</th>
<th>Bonus</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>05206</td>
<td>Budget Analyst II</td>
<td>MC</td>
<td>$79,608</td>
<td>7.57%</td>
<td>$6,028.33</td>
</tr>
<tr>
<td>05480</td>
<td>Public Works Supervisor</td>
<td>MC</td>
<td>$80,180</td>
<td>7.51%</td>
<td>$6,029.02</td>
</tr>
<tr>
<td>05450</td>
<td>Public Works Supervisor/Electrical</td>
<td>MC</td>
<td>$86,832</td>
<td>7.51%</td>
<td>$6,521.08</td>
</tr>
<tr>
<td>05450</td>
<td>Public Works Supervisor/Electrical</td>
<td>MC</td>
<td>$86,832</td>
<td>7.51%</td>
<td>$6,521.08</td>
</tr>
<tr>
<td>05221</td>
<td>Senior Public Works Supervisor</td>
<td>MC</td>
<td>$89,235</td>
<td>7.51%</td>
<td>$6,626.52</td>
</tr>
<tr>
<td>05216</td>
<td>Senior Public Works Supervisor/Electrical</td>
<td>MC</td>
<td>$95,580</td>
<td>7.51%</td>
<td>$7,178.06</td>
</tr>
<tr>
<td>05236</td>
<td>Associate Engineer/Mechanical</td>
<td>MC</td>
<td>$90,400</td>
<td>6.88%</td>
<td>$5,944.32</td>
</tr>
<tr>
<td>05237</td>
<td>Associate Engineer/Traffic</td>
<td>MC</td>
<td>$86,400</td>
<td>6.88%</td>
<td>$5,944.32</td>
</tr>
<tr>
<td>05127</td>
<td>Associate Mechanical Engineer</td>
<td>MC</td>
<td>$95,868</td>
<td>6.88%</td>
<td>$6,595.72</td>
</tr>
<tr>
<td>05708</td>
<td>Executive Assistant</td>
<td>MC</td>
<td>$82,880</td>
<td>6.49%</td>
<td>$4,080.91</td>
</tr>
<tr>
<td>05125</td>
<td>Associate Civil Engineer</td>
<td>MC</td>
<td>$95,868</td>
<td>6.18%</td>
<td>$5,924.64</td>
</tr>
<tr>
<td>05234</td>
<td>Associate Engineer</td>
<td>MC</td>
<td>$86,400</td>
<td>6.18%</td>
<td>$5,924.64</td>
</tr>
<tr>
<td>05239</td>
<td>Associate Traffic Engineer</td>
<td>MC</td>
<td>$95,868</td>
<td>6.18%</td>
<td>$5,924.64</td>
</tr>
<tr>
<td>05720</td>
<td>Supervising Office Assistant</td>
<td>MC</td>
<td>$58,920</td>
<td>5.50%</td>
<td>$3,293.63</td>
</tr>
<tr>
<td>05741</td>
<td>Supervising Revenue Assistant</td>
<td>MC</td>
<td>$64,860</td>
<td>5.64%</td>
<td>$3,893.24</td>
</tr>
<tr>
<td>05370</td>
<td>Supervising Real Property Agent</td>
<td>MC</td>
<td>$89,984</td>
<td>5.49%</td>
<td>$5,489.12</td>
</tr>
<tr>
<td>05505</td>
<td>Fire Telecommunications Specialist</td>
<td>MC</td>
<td>$69,766</td>
<td>5.94%</td>
<td>$3,725.61</td>
</tr>
<tr>
<td>05771</td>
<td>Supervising Police Records Assistant</td>
<td>MC</td>
<td>$62,860</td>
<td>3.17%</td>
<td>$1,063.30</td>
</tr>
<tr>
<td>05291</td>
<td>Housing Programs Supervisor</td>
<td>MC</td>
<td>$82,932</td>
<td>2.65%</td>
<td>$1,197.60</td>
</tr>
<tr>
<td>05126</td>
<td>Architect</td>
<td>MC</td>
<td>$76,104</td>
<td>2.55%</td>
<td>$1,040.65</td>
</tr>
<tr>
<td>05225</td>
<td>Assistant City Traffic Engineer</td>
<td>MC</td>
<td>$107,328</td>
<td>2.47%</td>
<td>$2,661.00</td>
</tr>
<tr>
<td>05118</td>
<td>Senior Civil Engineer</td>
<td>MC</td>
<td>$107,328</td>
<td>2.47%</td>
<td>$2,661.00</td>
</tr>
<tr>
<td>05200</td>
<td>Library Division Manager</td>
<td>MC</td>
<td>$87,782</td>
<td>1.89%</td>
<td>$1,659.27</td>
</tr>
<tr>
<td>05886</td>
<td>Senior Community Service Officer</td>
<td>MC</td>
<td>$58,332</td>
<td>0.91%</td>
<td>$530.38</td>
</tr>
<tr>
<td>05461</td>
<td>Tree Maintenance Supervisor</td>
<td>MC</td>
<td>$69,900</td>
<td>0.43%</td>
<td>$300.57</td>
</tr>
<tr>
<td>05191</td>
<td>Senior Planner</td>
<td>MC</td>
<td>$90,488</td>
<td>0.05%</td>
<td>$44.90</td>
</tr>
<tr>
<td>05235</td>
<td>Senior Transportation Planner</td>
<td>MC</td>
<td>$90,024</td>
<td>0.05%</td>
<td>$44.90</td>
</tr>
<tr>
<td>05209</td>
<td>Computer Operations &amp; Maintenance</td>
<td>MC</td>
<td>$73,116</td>
<td>0.00%</td>
<td>$0.00</td>
</tr>
<tr>
<td>05472</td>
<td>Craft Maintenance Supervisor</td>
<td>MC</td>
<td>$69,184</td>
<td>0.00%</td>
<td>$0.00</td>
</tr>
<tr>
<td>05360</td>
<td>Financial Services Supervisor</td>
<td>MC</td>
<td>$69,112</td>
<td>0.00%</td>
<td>$0.00</td>
</tr>
<tr>
<td>05497</td>
<td>Library Building Maintenance Supervisor</td>
<td>MC</td>
<td>$59,920</td>
<td>0.00%</td>
<td>$0.00</td>
</tr>
<tr>
<td>05287</td>
<td>Park Facility Planner</td>
<td>MC</td>
<td>$90,984</td>
<td>0.00%</td>
<td>$0.00</td>
</tr>
<tr>
<td>05207</td>
<td>Police Planning Analyst</td>
<td>MC</td>
<td>$79,808</td>
<td>0.00%</td>
<td>$0.00</td>
</tr>
<tr>
<td>05130</td>
<td>Quality Improvement Coordinator</td>
<td>MC</td>
<td>$94,728</td>
<td>0.00%</td>
<td>$0.00</td>
</tr>
<tr>
<td>05198</td>
<td>SCADA/CMMS Manager</td>
<td>MC</td>
<td>$85,864</td>
<td>0.00%</td>
<td>$0.00</td>
</tr>
<tr>
<td>05217</td>
<td>Surveying Supervisor</td>
<td>MC</td>
<td>$72,468</td>
<td>0.00%</td>
<td>$0.00</td>
</tr>
<tr>
<td>05685</td>
<td>Warehouse Supervisor</td>
<td>MC</td>
<td>$54,780</td>
<td>0.00%</td>
<td>$0.00</td>
</tr>
</tbody>
</table>
July 24, 2012

TO: Mayor and City Council

FROM: Teresia Haase, Director of Human Resources

SUBJECT: MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON AND THE STOCKTON MID-MANAGEMENT/SUPERVISORY LEVEL BARGAINING UNIT (B&C)

RECOMMENDATION

It is recommended that the City Council adopt by motion the attached Memorandum of Understanding (MOU), effective July 1, 2012 through June 30, 2013, which encompasses agreements regarding compensation, benefits and other terms and conditions of employment with the Mid-Management/Supervisory Level (B&C) bargaining unit. City Council shall authorize the City Manager to execute this Memorandum of Understanding between the City of Stockton and Mid-Management/Supervisory Level bargaining unit. It is further recommended that this action authorize the City Manager to take whatever actions are appropriate to carry out the implementation of this Memorandum of Understanding.

This Memorandum of Understanding shall supersede all previous Memorandums of Understanding, as well as the Pendency Plan for the Mid-Management/Supervisory Level bargaining unit that was adopted on June 26, 2012.

Summary

Representatives of the City have met and conferred with representatives of the Mid-Management/Supervisory Level bargaining unit on a new Memorandum of Understanding that becomes effective on July 1, 2012 and has a term of one year, expiring June 30, 2013. This MOU includes proposed reductions in compensation and benefits due to the City of Stockton's fiscal shortfalls that resulted in the chapter 9 bankruptcy filing. This MOU supersedes the previously adopted Memorandum of Understanding (term through June 30, 2014) and the Pendency Plan adopted by the Council on June 26, 2012 for this unit. It also supersedes all previous side letters and resolutions not included in this MOU.

DISCUSSION

Background

The City has had substantial fiscal shortfalls over the past several years. In 2009, 2010 and 2011, the B&C bargaining unit agreed to both permanent and temporary concessions for employees in their unit to assist the City in balancing its budget. Beginning in 2012, the City and representatives of the Mid-Management/Supervisory
8. Allows management flexibility to require doctor certification for sick leave occurrences;
9. Holiday leave benefit changes such as elimination of employee’s birthday, and limits the value of holidays to 8 hours for all employee work schedules;
10. Elimination of City paid salary continuation for employees on workers compensation;
11. Phase out and then elimination of Longevity Pay for employees in this unit over the next year; longevity pay will be eliminated on June 30, 2013;
12. Reduction of benefit value of City paid Life insurance to $50,000;
13. Increase in the disability waiting period benefit for employees to file for City paid long term disability insurance from 30 days to 90 days;
14. Various changes to standby pay, call back pay and overtime paid to employees, including changing the calculation of overtime eligibility to Federal Fair Labor Standards Act (FLSA) minimum standards;
15. Elimination of dual coverage in City medical plans for employees and retirees, and other medical plan changes in retiree plans;
16. Reduction and then elimination of City paid retiree medical benefits for existing employees over the next fiscal year;
17. Elimination of lifetime medical benefits for surviving family members of employees who die while employed;
18. Elimination of Retiree Medical Trust Plan and City contribution which applies to some employees in this unit;
19. Layoff and Reemployment Procedure updates; and
20. B&C agrees to release and waive all claims towards the City in bankruptcy, and agrees to support the City’s Plan of Adjustment that is not inconsistent with this new MOU or any subsequent MOU between the parties.

FINANCIAL SUMMARY

Implementation of this Memorandum of Understanding will result in approximately $160,000 of General Fund savings and $462,971 in non-general fund programs savings specific from this unit compared to the previous MOU and/or any concessions agreed to under declaration of fiscal emergency in FY 2012/2013. Part of these savings represents B&C’s agreement to incorporate reductions imposed in prior years and changes approved in the Pendency Plan in its MOU. To reach mutual agreement between the parties some elements of the Pendency Plan have been modified by the MOU.

The reduction of unpaid furloughs from 96 to 62 hours and minor adjustments made to longevity pay were part of the negotiations that resulted in a ratified agreement, and are included in all the negotiated agreements before your Council tonight. These adjustments will result in a reduction in the cost savings contemplated under the
The Stockton Mid-Management/Supervisory Level bargaining unit and representatives of the City of Stockton have met and conferred in good faith regarding wages, hours and other terms and conditions of employment of employees employed in the representation unit identified in Section 1, 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-Millas-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 for salary and employee benefit adjustments for the period commencing July 1, 2012, and ending June 30, 2013.
Table of Contents

Section 1. Recognition.................................................................3
Section 2. Association Security...................................................4
Section 3. Compliance with Federal Laws.....................................8
Section 4. Probation...................................................................9
Section 5. Layoff ......................................................................10
Section 6. Reemployment.............................................................14
Section 7. Discipline.................................................................15
Section 8. Grievance Procedure..................................................16
Section 9. Leaves ......................................................................20
Section 10. Days and Hours of Work..........................................31
Section 11. Overtime .................................................................34
Section 12. Holidays ..................................................................36
Section 13. Compensation and Allowances Other Than Base Salary .38
Section 14. Insurance Plans.........................................................42
Section 15. Salary Plan...............................................................49
Section 16. Severability of Provisions.........................................52
Section 17. Past Practices and Existing Memoranda.....................52
Section 18. Scope of Agreement..................................................52
Section 19. Duration of Agreement.............................................52
Section 20. Maintenance of Operations/City Rights.....................53
Section 21. Bankruptcy...............................................................54
Appendix A – City-Wide Furlough Calendar ..................................56
Appendix B – Union Assumption of Medical Plans.......................57
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, hereinafter 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 Association Recognition

The City of Stockton Management B & C Employees Group, hereinafter referred to as "Association", is the recognized employee organization for the Mid-Management/Supervisory Level Bargaining Unit certified pursuant to Resolution No. 91-0014, adopted by the City Council on January 2, 1991.
SECTION 2. ASSOCIATION SECURITY

2.1 Dues Deduction

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

Payroll deduction shall be for a specified amount and consistent for all employee members of the Association and shall not include fines, fees, and/or assessments.

(b) Authorization Required. Authorization, cancellation or modification of the payroll deduction shall be made upon forms provided or approved by the City. The payroll deduction authorized shall remain in effect until cancelled or modified by the employee by written notice to the City or until the first day of the calendar month following the transfer of the employee to a unit represented by another employee organization as the representative of the unit to which the employee is assigned, or until employment with the City is terminated.

(c) Authorization Not Required to Dues Increases. Additional authorization shall not be required for deduction of increased membership dues when such increase has been duly approved by the membership of the Association. Notification of such approval shall be forwarded to the City in the form of written notice of official Association letterhead and signed by the Association President or other duly authorized Association official. Upon receipt of notification, the City shall authorize the payroll deduction of the increased amount.

(d) Transmittal of Association Dues. Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Association as the person authorized to receive such funds, at the address specified.

(e) Other Deductions. In addition to the deduction of dues, the City will deduct from the paychecks of Association members who request it, premiums for group insurance and investment plans sponsored by the Association. Such deduction shall occur only upon signed authorization from the employee upon a form satisfactory to the City. Such authorization may be made or changed no more frequently than yearly.
(f) **Effect of Non-Pay Status on Dues Check-Off.** 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 withholding will be made to cover that pay period from future earnings 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 the period. In the case of an employee who is in a non-pay status during a part of the pay period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other required deductions have priority over the employee organization deduction.

(g) **Indemnity and Refund.** The Association shall indemnify, defend and hold the City harmless against any claim made and against any suit initiated against the City on the account of check-off of Association dues or premiums for benefits. In addition, the Association shall refund to the City any amounts paid to it in error upon presentation of a written document demonstrating the error.

2.2 **Use of City Facilities**

The Association 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 Association business, such as times and places of meetings, provided such use does not interfere with the needs of the department.

Any representative of the Association shall give notice to the department head or his designated representative when contacting department employees on City facilities during the duty period of the employees, provided that solicitation for membership or other internal Association business shall be conducted during the non-duty hours of all employees concerned. Prearrangement for routine contact may be made with the individual department heads and when made shall continue until revoked by the department heads.

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

Members of the Association are prohibited from using City equipment and/or time for their own personal use.
2.3 **Advanced Notification**

Except in cases of emergency, reasonable advance written notice shall be given to the Association if related to matters within the scope of representation proposed to be adopted by the City and shall be given the opportunity to negotiate, if requested, with the designated management representatives prior to adoption.

In cases of emergency when the foregoing procedure is not practical or in the best public interest, the City may adopt or put into practice immediately such measures as are required. At the earliest practical date thereafter, the Association 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 Association shall be given reasonable time off with pay to attend meetings with City Management representatives, 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 with the performance of City services as determined by the City. Time spent for these purposes while a representative is not scheduled to work shall not be compensated by the City and shall not be considered as hours worked. 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) employees.

2.5 **Maintenance of Membership**

(a) Association membership is not a mandatory condition of employment for any employee covered by this Agreement. However, any employee covered by this Agreement, who is an Association member on or after the date of this Agreement is ratified by the Association membership, shall continue to pay to the Association those dues or fees regularly charged members of the Association in good standing for the life of this Agreement.

(b) Every employee who is a member of the Association shall have the right
to withdraw from membership no sooner than 120 days or no later than 60
days of the expiration date of this Agreement, as contained in Section 19
Duration of Agreement. An employee who has properly withdrawn
membership as provided herein shall not be subject to the provisions of
this Section.

(c) Upon return from leaves of absence, the City shall reinstate the payroll
deduction of Association dues for those employees who are on dues
check-off immediately prior to taking leave, provided that the employee
has not authorized cancellation of dues check-off in accordance with the
prescribed provision or the Agreement under which they were a member
has not expired.

(d) Enforcement of this Section shall be the responsibility of the Association,
utilizing appropriate civil procedures.
SECTION 3. COMPLIANCE WITH FEDERAL LAWS

3.1 Non-Discrimination

(a) Non-Discrimination. The City and the Union agree that there shall be no discrimination of any kind because of age (over 40), race, creed, color, religion, national origin, ancestry), veterans status, physical or mental disability, marital status, sexual orientation, sex (sexual, gender based, pregnancy/childbirth), political affiliation or legitimate union activity or on any other basis prohibited by applicable federal and State law against any employee or applicant for employment.

(b) The Association shall cooperate with the City, to the extent required by federal and State laws and regulations, in furthering the objective of Equal Employment Opportunities, as defined by Federal and State regulations.
SECTION 4. PROBATION

4.1 Supervisory Level

Original and promotional appointments shall be tentative and subject to a probationary period of six (6) months. The probationary period shall not be extended.

Supervising Librarian. Original and promotional appointments shall be tentative and subject to a probationary period of twelve (12) months. The probationary period shall not be extended.

4.2 Mid-Management Level

All Mid-Management Level positions are considered to be salaried employees. They do not have Civil Service status. Employment and separation of employment will be consistent with State Law.

4.3 Retention/Rejection of Probationer

During the probationary period a Mid-Management/Supervisory level employee may be rejected at any time by the appointing authority. Any employee who held a position in the classified service and subsequently appointed to a position in the unclassified service and subsequently removed from such position that employee shall have the right to be employed in a position comparable to his/her formerly held position in the classified service from which he/she was promoted unless charges are filed and he/she is discharged in the manner provided in section 7 of this Memorandum of Understanding, the Civil Service Rules and Regulations, the Stockton Municipal Code, and/or any other applicable City policy.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2012 – June 30, 2013

SECTION 5. LAYOFF

5.1 Layoff

Any employee may be laid off by an appointing authority in the event of the abolition of the employee's position by the City Council, or if a shortage of work or funds requires a reduction in personnel. In doing so, the City shall follow the layoff procedure set forth herein below.

5.2 Layoff Scope

(a) The City shall designate the number of layoffs in each bargaining unit classification for each department of the City.

(b) Departments of the City are defined as follows:

1. City Attorney
2. City Auditor
3. City Clerk
4. City Manager
5. Community Development
6. Community Services
7. Economic Development
8. Financial Management
9. Fire
10. Housing and Redevelopment
11. Human Resources
12. Information Technology
13. Library
14. Municipal Utilities
15. Police
16. Public Works

5.3 Notice of Layoff

The City will give advance written notice of at least two (2) weeks to employees who will be laid off.

5.4 Precedence by Employment Status

No bargaining unit employee having regular status shall be laid off while employees working in seasonal, temporary, provisional, or probationary status
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2012 – June 30, 2013

are retained in the same or comparable classification as such regular employee. The order of layoff among bargaining unit employees not having not regular status shall be as follows:

(a) First, seasonal employees;
(b) Second, provisional employees;
(c) Third, temporary employees; and
(d) Fourth, probationary employees.

Layoffs shall be by job classification according to reverse order of seniority as determined by total service in the City, except as specified above. For the purpose of this procedure, regular part-time classes shall be considered as separate from regular full-time classes.

The following provisions shall apply in computing total continuing service:

(a) Time spent on military leave shall count as service in the event the leave was taken subsequent to entry into regular City employment.

(b) Time worked in seasonal, provisional, temporary, grant or other limited term status shall not count as service.

(c) Time worked in a regular status or probationary status shall count as service.

(d) If two (2) or more employees have the same seniority, the order of seniority shall be determined by their respective ranking on the eligibility list for hire.

If two (2) or more employees have the same seniority, but were not hired from a ranked eligibility list, the order of seniority shall be determined by lot.

If two (2) or more employees have the same seniority, but were hired from separate ranked eligibility lists, the order of seniority shall be determined by lot.

(e) Regular status part-time employees shall not have the right to bump regular status full-time employees.
5.5 **Order of Layoff and Employee Options**

Reduction in force shall occur in the following order:

(a) The least senior employee occupying the position(s) being eliminated shall be the first laid off. The incumbent designated for layoff shall have the options noted below:

(1) Displacing the least senior employee occupying the same or comparable classification, Citywide.

(2) Taking a voluntary demotion within the City to a classification in which the employee had prior regular status, thus displacing the employee working in that classification who has the least seniority.

(b) Seniority for the purposes of application of the layoff procedure in section 5 is determined by total City employment, excluding employment as a seasonal, provisional, or temporary employee.

(c) Comparability of employee classifications for the purposes of application of the layoff procedure in section 5 shall be determined by the Director of Human Resources.

(d) An employee displaced in accordance with section 5 shall be laid off in the same manner as an employee whose position has been abolished.

5.6 **Health and Welfare Benefits During Layoff**

Regular employees who are laid off will have an option of maintaining their existing health and welfare benefits for thirty-six (36) months (the thirty-six (36) months runs concurrently with any COBRA benefits) from the date of layoff, provided timely payments of the premiums by the employee are made to the City, according to City regulations, and provided the employee otherwise meets the requirements of federal and state regulations.

5.7 **Voluntary Layoff**

When a determination has been made that a layoff will occur, regular full-time employees may elect to be voluntarily laid off regardless of their seniority status. The following provisions apply to an employee who so elects to be laid off:

(a) For payroll purposes, the employee will be treated as being on approved
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2012 – June 30, 2013

leave of absence without pay for up to twelve (12) months.

(b) The employee will have the option to either retain sick leave and/or vacation balances for up to one (1) year in anticipation of reemployment or be paid off for those leaves in accordance with applicable provisions of this Memorandum of Understanding.

(c) The names of employees who elect to be voluntarily laid off will be placed on reemployment lists in accordance with section 6.
SECTION 6. REEMPLOYMENT

(a) 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 and is ready to report for duty when a position is open, the City shall cause the name of such employee to be placed on 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. An employee who waives reemployment three times shall have his/her name removed from this reemployment list unless mutually agreed to by the City and employee.

(b) The order in which names shall be placed on the reemployment list for any class shall be by seniority, which means "last laid off, first rehired."

(c) In filling vacancies, eligibles on the reemployment lists take precedence over eligibles on any other list for the same class 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 provided the Stockton Municipal Code provisions and the rules and regulations of the Civil Service Commission and any applicable provisions of law are followed. The Supervisory Level employee may take any one (1) of the following actions:

(a) File no grievance.

(b) File a grievance as provided for in Section 8.1 within ten (10) business days of written notification of the action.

(c) File an appeal within ten (10) business days of written notification of the action with the Civil Service Commission as appropriate for Supervisory Level employees.

If the employee fails to do (a) (b) or (c) above within the prescribed time frame, these rights will have been waived.
SECTION 8. GRIEVANCE PROCEDURE

8.1 Definition

A grievance is any dispute which involves the interpretation or application of the Memorandum of Understanding or appropriate disciplinary action (Supervisory Level employees only) in lieu of a Civil Service Commission appeal.

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 in which the affected employee received written notification of such action. All other grievances must be filed within thirty (30) calendar days from the time the employee knew or had reason to know of the facts giving rise to the grievance.

8.3 Grievance Processing

(a) Step 1 - Departmental Review. Any employee claiming to have a grievance may discuss the complaint with such management official in the department where employed as the department head may designate. If the issue is not resolved within the department within ten (10) business days from the day of presentation or if the employee elects to submit the grievance directly to the Association recognized as the representative of that employee’s classification, the procedures hereinafter specified may be invoked.

(b) Step 2 - Director of Human Resources Review. If the employee is not satisfied with the response at Step 1, then the employee may appeal the grievance to the Director of Human Resources within ten (10) business days of the receipt of written response at Step 1. Such appeal must state with particularity; 1) the specific policy, rule or provision which is alleged to have been violated; 2) the statement of facts comprising the violation; and 3) the requested remedy. The Association may file and process grievance(s) on behalf of the specifically named employee.

The Director of Human Resources shall have twenty (20) business days in which to review the issues and respond to the appeal. No grievance may be processed under the following two (2) paragraphs, which has not first been filed and reviewed in accordance with this paragraph unless the Director of Human Resources fails to respond within the time limit.
(c) **Step 3** - The parties may mutually agree to the use of this Step prior to proceeding to Step 4, Arbitration. Either party may with written notice within ten (10) business days of the decision of Step 2, request Step 3. Upon mutual agreement of Step 3, the City will request a representative from the State of California Mediation/Conciliation Service to review the grievance and make non-binding recommendations to assist the parties in resolving the grievance. The State Mediator will not provide any written documents and is limited to the restriction in Labor Code Section 65 and Attorney General opinions 51/183 and 68/77.

(d) **Step 4 - Arbitration.** If the grievant or the Association is dissatisfied with the response at Step 2 or Step 3, if used, or if the Director of Human Resources fails to respond within the time limit in Step 2, the grievance may be moved to Step 4 within twenty (20) business days. The grievance will be referred to an arbitrator mutually selected by the parties, or, if the parties are unable to mutually agree from a list of seven (7) arbitrators provided by the State of California Mediation/Conciliation Service, the arbitrator shall be chosen by the alternative strike method, with first choice being determined by lot. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by the Association 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 hereto except as provided otherwise 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 Association and unless such dispute falls within the definition of a grievance as set forth in paragraph 8.1.

Proposals to add to or change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be arbitrated 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. No arbitrator selected pursuant to this section shall have the power to amend or modify this Memorandum of Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.
No change 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 Association.

8.5 Other Provisions

If the Director of Human Resources in pursuance of the procedures outlined above resolve a grievance which involves suspension or discharge, he/she 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 judgment for the judgment of Management and if he finds that the City had such right, he 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 department at Step 1. Only complaints which 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 thirty (30) days from the date upon which the complaint was filed.

The provisions of this Section shall not abridge any right to which an employee may be entitled under the Stockton Municipal Code and/or Civil Service Rules and Regulations, nor shall it be administered in a manner, which would abrogate any power, which may be within the sole province and discretion of the Civil Service Commission. Reference to Civil Service Commission is limited to Supervisory Level employees.

All grievances of employees in the representation unit represented by the Association shall be processed under this Section. If the Stockton Municipal Code and/or the Civil Service Rules and Regulations requires that differing options 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 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.
SECTION 9. LEAVES

9.1 Vacation - Mid-Management Level – FLSA Exempt Employees

(a) Effective July 1, 2012, Mid-management FLSA exempt employees shall accrue vacation leave with pay in accordance with the following schedule:

- (1) Less than 1-1/2 years continuous employment: 120 hours/year
- (2) After 1-1/2 years up to 7 1/2 years: 148 hours/year
- (3) After 7-1/2 years up to 15 years: 188 hours/year
- (4) After 15 years up to 25 years: 229 hours/year
- (5) Seven (7) additional hours for each completed year of service in excess of twenty-five (25) years.
- (6) Employees shall accrue vacation on a twice-monthly payroll basis.

(b) Maximum Vacation Accrual. Employees reaching the maximum hours shall stop accruing additional hours until they are below the caps listed here. No vacation hours may be added to sick leave balances without exception. Effective July 1, 2012, the following maximum vacation accruals shall take effect. Employees, who on July 1, 2012 have vacation balances that exceed their maximum, shall have until June 30, 2013 to use sufficient vacation to get under the maximum allowed. If an employee does not get below the maximum by June 30, 2013, they shall retain their existing earned vacation, but shall not earn any additional vacation until they are under the maximum vacation accrual allowed.

The maximum number of vacation hours that employees on a 40 hour workweek shall accrue are as follows:

- Under 1.5 years: 200 hours
- 1.5 – 7.5 years: 320 hours
- 7.5 – 15 years: 360 hours
- 15 – 25 years: 400 hours
- 25 years: 408 hours
- 26 years: 416 hours
- 27 years: 424 hours
- 28 years plus: 7 hours each additional year
9.2 Vacation - Supervisory Level – FLSA Non-Exempt Employees

(a) Vacation Allowance (40-hour workweek). Effective July 1, 2012, Supervisory Level FLSA non-exempt employees on a forty-hour workweek shall receive a vacation allowance in accordance with the following schedule.

(1) Less than 1-1/2 years continuous employment 80 hours/year
(2) After 1-1/2 years up to 7 1/2 years 108 hours/year
(3) After 7-1/2 years up to 15 years 144 hours/year
(4) After 15 years up to 25 years 189 hours/year
(5) Seven (7) additional hours hence for each completed year of service in excess of twenty-five (25) years.
(6) Employees shall accrue vacation on a twice-monthly payroll basis.

(b) Maximum Vacation Accrual. Supervisory employees on a 40-hour workweek reaching the maximum hours shall stop accruing additional hours until they are below the caps listed here. No vacation hours may be added to sick leave balances without exception. Effective July 1, 2012, the following maximum vacation accruals shall take effect. For employees who on July 1, 2012 have vacation balances that exceed their maximum shall have until June 30, 2013 to use sufficient vacation to get under the maximum allowed. If an employee does not get below the maximum by June 30, 2013, they shall retain their existing earned vacation, but shall not earn any additional vacation until they are under the maximum vacation accrual allowed.

The maximum number of vacation hours that employees on a 40 hour workweek shall accrue are as follows:

Under 1.5 years 120 hours
1.5 – 7.5 years 240 hours
7.5 – 15 years 280 hours
15 – 25 years 320 hours
26 years 328 hours
27 years 336 hours
28 years 344 hours
29 years 352 hours

For every year of service beyond 29, the employee is allowed to add an additional seven (7) hours to the maximum accrual cap.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2012 – June 30, 2013

(c) **Vacation Allowance (56-hour workweek).** Supervisory FLSA non-exempt employees on a 56-hour workweek shall receive a vacation allowance, in accordance with the following schedule:

1. Less than 1-1/2 years continuous employment 120 hours/year
2. After 1-1/2 years up to 7 1/2 years 162 hours/year
3. After 7-1/2 years up to 15 years 216 hours/year
4. After 15 years up to 25 years 283.5 hours/year
5. Thereafter, 10.5 additional hours hence for each completed year of service in excess of twenty-five (25) years.
6. Employees shall accrue vacation on a twice-monthly payroll basis.

(d) **Maximum Vacation Accrual.** Employees on a 56-hour workweek reaching the maximum hours shall stop accruing additional hours until they are below the caps listed here. No vacation hours may be added to sick leave balances without exception. Effective July 1, 2012, the following maximum vacation accruals shall take effect. Employees, who on July 1, 2012 have vacation balances that exceed their maximum, shall have until June 30, 2013 to use sufficient vacation to get under the maximum allowed. If an employee does not get below the maximum by June 30, 2013, they shall retain their existing earned vacation, but shall not earn any additional vacation until they are under the maximum vacation accrual allowed.

The maximum number of vacation hours that employees on a 56 hour workweek shall accrue are as follows:

<table>
<thead>
<tr>
<th>Years</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 1.5</td>
<td>300</td>
</tr>
<tr>
<td>1.5 – 7.5</td>
<td>360</td>
</tr>
<tr>
<td>7.5 – 15</td>
<td>420</td>
</tr>
<tr>
<td>15 – 25</td>
<td>480</td>
</tr>
<tr>
<td>26 years</td>
<td>492</td>
</tr>
<tr>
<td>27 years</td>
<td>504</td>
</tr>
<tr>
<td>28 years</td>
<td>516</td>
</tr>
<tr>
<td>29 years</td>
<td>528</td>
</tr>
<tr>
<td>29 plus years</td>
<td>7 hours each additional year</td>
</tr>
</tbody>
</table>

9.3 **Vacation Sell-back for All Employees in this Unit.** An employee may elect to sell back a maximum of forty (40) hours of his/her unused accumulated vacation balance after the use of a scheduled vacation of forty (40) consecutive hours or more. This option may be exercised once per calendar year, except this option is suspended during furlough or fiscal emergency periods.
9.4 **Vacation Allowance for Separated Employees in this Unit:**

When an employee is separated from service between February 17, 2012 and July 1, 2014, the employee's remaining vacation allowance, if any, shall be paid as follows:

1. Upon separation, employees shall receive one third (1/3) or $10,000, whichever is greater, of the total of his/her unused accumulated vacation hours.

2. On the one year anniversary of employee's separation, he/she shall receive the second payment of one third (1/3) or $10,000, whichever is greater, of the balance of his/her unused accumulated vacation hours.

3. On the second anniversary of separation, he/she shall receive the balance payment of the unused accumulated vacation hours.

4. Employees who are involuntarily separated shall have their unused accumulated vacation hours, if any, added to his/her final compensation.

9.5 **Sick Leave**

(a) **Accrual.** All regular employees, except provisional, temporary and extra-help employees, each shall accrue sick leave at the rate of eight (8) hours for full month of service. All regular employee, except provisional, temporary and extra-help employees, working less than a full month shall 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 hours, which the employee would normally have worked, to a maximum of sick leave hours accrued.

An employee may use sick leave for preventive medical, dental, optical care, 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, childbirth and recovery therefrom.
Family Sick Leave. In accordance with California Labor Code section 233 ("Kin Care"), employees may utilize up to on-half of the employee's annual sick leave accrual to care for an illness or injury in the case of illness or injury in the employee's immediate family when such illness or injury requires personal care except in instances where the employee is on approved FMLA or CFRA leave. Such sick leave shall be limited, by the department head, to the time reasonably required to make other arrangements for such care.

For the purpose of this Section, such sick leave 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, grandchild, and registered domestic partner. The employee's "child" includes a biological, foster, or adopted child, a stepchild, a legal ward, a child of the employee's registered domestic partner, or a child to whom the employee stands in loco parentis.

Procedures for Requesting and Approving Sick Leave. When the requirement for sick leave is known to the employee in advance of his/her absence, the employee shall request authorization for such sick leave from the department head prior to such absence. In all other instances, the employee shall notify his/her supervisor as promptly as possible of his/her absence.

Before an employee may be paid for the use of accrued sick leave, he/she shall complete and submit to his/her department head a signed statement, on a prescribed form, stating 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 department head.

Doctor's Certificate or Other Proof. If an employee's illness results in an absence from work for more than three (3) consecutive days, then a doctor's certificate or other reasonable proof of illness may be required by the department head. The City may monitor and control the appropriate use of sick leave by employees and if reasonable cause is articulated, can limit use of sick leave and require additional verification.

The department head 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.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2012 – June 30, 2013

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) Payment for Unused Sick Leave. Effective February 17, 2012, all accumulated or future accruals of sick leave shall have no cash value upon separation of employment and employees shall not be allowed to cash out unused sick leave except as provided below.

(h) CalPERS Service Credit for Unused Sick Leave.

Employees shall be eligible for CalPERS service credit for any unused sick leave at retirement not otherwise compensated for in (i) below. Employees hired after the City amends its CalPERS contract to eliminate service credit for unused sick leave shall not be eligible for this service credit.

(i) Sick Leave Retention Benefit

If, after subtracting the equivalent of one full year of service credit (2080 hours), which may be applied to CALPERS service credit, any balance remaining upon separation shall be paid as follows to employees who have remained in City service until the dates specified:

1. Separation prior to July 1, 2014, no payment of unused sick leave at separation shall occur for separating employees before this date;

2. Separation between July 1, 2014 and June 30, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 35% of its cash value to separating employees between these dates; and
3. Separation on or after July 1, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 50% of it’s cash value to separating employees after this date.

4. Service credit for unused sick leave shall be in accordance with PERS regulations.

9.4 Other Leaves With Pay

(a) Bereavement Leave. In the event of a death in the immediate family of an employee, he/she shall, upon request be granted up to three (3) days bereavement leave with pay without charge to his/her accumulated sick leave credits or vacation eligibility. For the purposes of this paragraph, the immediate family shall be restricted to the employee’s parents, current step parents, spouse, mother-in-law, father-in-law, child, stepchild, brother, sister, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparent, grandchild, and registered domestic partner.

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 bereavement leave upon request which shall be charged against the employee’s accumulated sick leave credits.

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

Said absence from duty including necessary travel time, will be for actual hours served on jury duty or testifies as a witness in a criminal case, other than as a defendant. This shall include the time from when the employee is ordered to appear until the time the employee is released from the court. As a condition of receiving such pay, the employee must remit to the City, through the employee’s department head, within fifteen (15) days after receipt, all fees received except those specifically allowed for mileage and expenses.

If an employee is not due to appear for jury duty or as a witness until an afternoon court session, the employee will be expected to work his usual morning schedule. If an employee is required to appear for a morning court session and is sent home before noon and not required to return in the afternoon, the employee will be expected to work his usual afternoon
schedule.

Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City through the employee's department.

Notwithstanding the foregoing, attendance in court in connection with an employee's official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is not a party, together with travel time necessarily involved, shall not be considered absent from work within the meaning of this Section.

(c) **Military Leave.** An employee of the City who is a member of the National Guard or Naval Militia or a member of 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 shall be allowed leave of absence without pay for the duration of a national emergency 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. Said employees shall be reinstated in the service, except as hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

All probationary employees inducted into the Military Service not having served the minimum probationary period of six (6) months, shall be allowed leave of absence without pay for the duration of a national emergency, but 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 the status of a regular employee.

Two or more regular employees granted military leave of absence without pay from the same position shall be reemployed according to their seniority of employment providing they are physically fit as above specified.
9.5 **Workers' Compensation Leave**

(a) Workers' Compensation Benefits shall be provided in accordance with State law and schedules whenever an employee is absence from duty because of disability caused by illness or injury arising out of and in the course of employment which has been declared to be compensable under the Workers' Compensation Law. An employee on Workers' Compensation may use accrued leave, if needed, to supplement benefits, up to the amount required to receive a full paycheck.

(b) **Forms and Procedures.** Workers' compensation processing shall be consistent with City procedures and in accordance with state workers' compensation regulations. Any employee who sustains a work-related injury or illness shall immediately inform his/her supervisor no matter how minor an on-the-job injury may appear. An employee who sustains a work-related injury or illness who is required to seek medical care shall use at facilities designated by the City unless they have filed a pre-designation of personal physician prior to sustaining the work-related injury or illness. For a list of City designated medical care facilities and/or physicians, please contact Human Resources.

9.6 **Leave of Absence**

Employees shall not be entitled to leave of absence as a matter of right, but only in accordance with the provisions of law and the City of 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 department head under this Section shall be subject to review by the Director of Human Resources, 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 hereinafter.

The entitlement to City payment of premium 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 plan by prepayment of the monthly premium during the authorized leave of absence.

Authorized absence without pay which 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 adjustment.

9.7 **Leave of Absence Without Pay**

(a) **Purpose and Length.** Only employees occupying regular positions on a regular basis are eligible for leaves of absence without pay under the provisions of this Section.

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

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 approval of the Director of Human Resources. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, 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 Leave of Absence Without Pay.** In order to receive leave without pay, an employee must submit a request on the prescribed form to his/her department head and the Director of Human Resources describing the reasons for the request and all other information required for the department head, or his/her representative, to evaluate the request. Leaves without pay may be cancelled by the department at any time.

9.8 **Absence Without Official Leave (AWOL)**

(a) **Failure to Report to Duty 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 cancelled, or at the expiration of a leave, shall be considered an absence without official leave and shall be subject to discipline.

(b) Voluntary Resignation. Any employee in this bargaining unit absent without official leave for two (2) or more consecutive days or absent an aggregate of sixteen (16) hours in any calendar month without a satisfactory explanation shall be deemed to have voluntarily resigned from the City of Stockton, except if the absence is due to a verified illness or injury.

9.9 Paternal/Adoption/Maternity/Pregnancy Leave

Family medical leave shall be in accordance with the Family Medical Leave Act ("FMLA") of 1993, the California Family Rights Act ("CFRA"), or Pregnancy Disability Leave ("PDL") and/or other applicable state and federal laws. Consistent with City policy and State and Federal law, employees may be required to utilize accrued sick and/or vacation leave during unpaid leaves in certain circumstances.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2012 – June 30, 2013

SECTION 10. DAYS AND HOURS OF WORK

10.1 Workweek

(a) The workweek and hours of work are determined solely by the City. The normal workweek for employees in this unit shall consist of five (5) consecutive eight (8) hour days or a minimum total of forty (40) hours. Where needs of a department require deviations (as determined by the Department Head) from the present schedule, the Department Head may institute alternate work schedules.

(b) The department will (except in emergency situations) provide a ten (10) working day notice (prior to implementation) of any workweek and/or hours changes.

(b) Asparagus Festival Work Schedule. Employees assigned to work at City facilities within the designated “footprint area” of the Asparagus Festival may work any of the following work schedules during the Asparagus Festival:

(1) Option 1: Baseline Work Schedule.

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>7:30am-5:30pm</td>
<td>7:30am-5:30pm</td>
<td>7:30am-5:30pm</td>
<td>7:30am-5:30pm</td>
<td>7:30am-11:30am OR 8:00am-12:00pm</td>
</tr>
<tr>
<td>9-hours paid time</td>
<td>9-hours paid time</td>
<td>9-hours paid time</td>
<td>9-hours paid time</td>
<td>4-hours paid time</td>
</tr>
<tr>
<td>1-hour unpaid</td>
<td>1-hour unpaid</td>
<td>1-hour unpaid</td>
<td>1-hour unpaid</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:00am-5:30pm</td>
<td>8:00am-5:30pm</td>
<td>8:00am-5:30pm</td>
<td>8:00am-5:30pm</td>
<td>7:30am-11:30am OR 8:00am-12:00pm</td>
</tr>
<tr>
<td>9-hours paid time</td>
<td>9-hours paid time</td>
<td>9-hours paid time</td>
<td>9-hours paid time</td>
<td>4-hours paid time</td>
</tr>
<tr>
<td>1/2-hour unpaid</td>
<td>1/2-hour unpaid</td>
<td>1/2-hour unpaid</td>
<td>1/2-hour unpaid</td>
<td></td>
</tr>
</tbody>
</table>
(2) Option 2: Four Tens Work Schedule with Friday off.

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>7:00am-6:00pm OR 8:00am-7:00pm</td>
<td>7:00am-6:00pm OR 8:00am-7:00pm</td>
<td>7:00am-6:00pm OR 8:00am-7:00pm</td>
<td>7:00am-6:00pm OR 8:00am-7:00pm</td>
<td>OFF DAY</td>
</tr>
<tr>
<td>10-hours paid time 1-hour unpaid</td>
<td>10-hours paid time 1-hour unpaid</td>
<td>10-hours paid time 1-hour unpaid</td>
<td>10-hours paid time 1-hour unpaid</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>7:00am-5:30pm OR 8:00am-6:30pm</td>
<td>7:00am-5:30pm OR 8:00am-6:30pm</td>
<td>7:00am-5:30pm OR 8:00am-6:30pm</td>
<td>7:00am-5:30pm OR 8:00am-6:30pm</td>
<td>OFF DAY</td>
</tr>
<tr>
<td>10-hours paid time 1/2-hour unpaid</td>
<td>10-hours paid time 1/2-hour unpaid</td>
<td>10-hours paid time 1/2-hour unpaid</td>
<td>10-hours paid time 1/2-hour unpaid</td>
<td>0</td>
</tr>
</tbody>
</table>

(3) Option 3: Vacation or Compensatory Time. The department head or designee may approve the use of vacation leave or compensatory time, and/or may approve any additional alternative schedule to formulate an acceptable 40-hour work schedule.

(4) Employee preferences among the above approved scheduling options during the Asparagus Festival will be considered and accommodated by the City unless infeasible. Employees must notify their department heads of their scheduling preferences through their line of supervision.

10.2 Work Furloughs

(a) 62 Furlough Hours in Fiscal Year 2012-2013. Each employee, except Fire Telecommunication Supervisors and Police Telecommunications Supervisors, shall be required to take sixty-two (62) furlough hours (leave from work without pay) between July 1, 2012 and June 30, 2013.

(b) Exception to Standard Furlough Days for Some Employees. Employees
shall adhere to the standard work furlough days shown in the City-wide calendar; except where it is impracticable for certain City departments or operations. In such cases, furlough hours must be scheduled between the employee and his/her manager or supervisor and the employee must use furlough hours no later than June 30, of each corresponding fiscal year.

(c) **Equalized Payroll Deductions.** Payroll deductions for the sixty-two (62) furlough hours in Fiscal Year 2012-2013 shall be equalized so that each bargaining unit employee shall have 2.98% at the employee’s regular hourly rate of pay deducted from each of the twenty-four (24) pay warrants. The Citywide Furlough Schedule for the fiscal year 2012-2013 is as follows:

- November 21, 2012
- December 24, 26, 27, and 31, 2012
- March 25, 2013
- April 26, 2013.

The Citywide Furlough Schedule is attached as Appendix A.

(d) **Health and Welfare and Other Benefits Not Affected.** Notwithstanding the occurrence of furloughs, Association members shall continue to receive the full amount and application of all fringe benefits including, without limitation and by way of illustration, City contribution to health and welfare benefits, accrued vacation leave, accrued sick leave, etc.

(e) **Separation from City Service before July 7, 2013.** Any B&C represented employee who separates from City service before the final 2.98% furlough deduction on July 7, 2013, and after having used furlough hours shall have his or her final compensation reduced by the sum of the number of furlough hours the employee has actually used minus the number of furlough hours actually deducted from the employee’s pay warrants multiplied by the employee’s regular rate of pay. Conversely, any employee who separates from City service before July 7, 2013, having suffered furlough deductions in excess of the actual number of furlough hours the employee has used shall have his or her final compensation credited by a like amount.
SECTION 11. OVERTIME

11.1 Eligibility

(a) Mid-Management Level employees do not receive overtime. Mid-Management Level employees in this unit are salaried employees who work whatever time necessary to accomplish duties of their assigned position.

(b) Supervisory Level employees will receive overtime at the appropriate rate when authorized in writing by the Department Head prior to the overtime worked. The following provisions pertaining to authorized or statutorily required overtime work shall apply to non FLSA exempt employees.

(1) Unless otherwise provided below, statutory overtime shall be paid on actual time worked in excess of forty (40) hours in any FLSA work period. Such overtime shall be paid for at time and one-half (1-1/2) including employees employed on a per hour or per day basis or except as provided elsewhere herein. Furlough hours taken, holiday hours taken and observed holidays where the City is closed shall be considered as time worked. Sick leave, vacation, or other compensated time off shall not be considered as actual time worked.

(2) Fire Telecommunications Supervisors assigned to a 56-hour workweek shall be compensated at the overtime rate for all time worked in excess of 56 hours in a seven (7) day workweek.

(4) Except as otherwise provided in section 12, employees who are not regularly scheduled to work holidays shall be paid for a regular day plus time and one-half (1-1/2) for actual time worked on a holiday observed by the City.

11.2 Compensatory Time Off (CTO)

(a) Definition. As used in this Section, the term Compensatory Time Off (CTO) refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. For the purpose of this Section, Compensatory Time shall apply only to Supervisory Level employees.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2012 – June 30, 2013

(b) **CTO in Lieu of Overtime Compensation.** Except Fire Telecommunications Supervisors assigned to a 56-hour workweek, employees may voluntarily elect to receive overtime compensation in the form of CTO at the rate one and one-half (1-1/2) hours of CTO for each hour of overtime worked in excess of fifty six (56) in a seven (7) day work period, for which the employee is eligible for overtime as defined in 11.1(b)(1) above.

(c) **Use.** Use of CTO shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of City business. Approval of requests for use of CTO shall be at the sole discretion of the department head, but once approved, cannot be changed unless an emergency situation arises.

(d) **Maximum Accrual.** No more than one-hundred (100) hours of CTO may be carried on the books at any time, except Fire Telecommunications Supervisors assigned to a 56-hour workweek who may not accrue CTO. Once one hundred (100) hours of CTO is accrued on the books, all other CTO worked in excess of forty (40) hours in a seven (7) day work period will automatically be paid to the employee. At the end of each calendar year, all CTO will be carried forward (forty (40) hours maximum), unless the employee elects to have the compensatory balance paid. Carryover CTO cannot exceed the forty (40) hours maximum.

Any CTO balance in excess of forty (40) hours remaining at the end of calendar year will automatically be paid to the employee.

(e) **Elimination of CTO for Fire Telecommunications Supervisors.** Effective January 1, 2009, Fire Telecommunications Supervisors assigned to a 56-hour workweek shall no longer accrue or use CTO and shall be paid at their regular rate of pay for all accrued and unused CTO hours on or about January 7, 2009; provided, however, any Fire Telecommunications Supervisors having any approved leave request(s) for CTO for time off work through January 31, 2009, shall be permitted to use the approved CTO leave.
SECTION 12. HOLIDAYS

12.1 Holidays Observed by the City: (Mid-Management/Supervisory Level)

(a) All regular employees, excluding provisional and temporary employees, shall be entitled to take all authorized holidays at full pay not to exceed eight (8) hours for any one (1) holiday.

<table>
<thead>
<tr>
<th>Observed</th>
<th>Holiday</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) January 1</td>
<td>New Year's Day</td>
</tr>
<tr>
<td>(2) Third Monday in January</td>
<td>Martin Luther King Jr's., Birthday</td>
</tr>
<tr>
<td>(3) Second Monday in February</td>
<td>Lincoln's Birthday</td>
</tr>
<tr>
<td>(4) Third Monday in February</td>
<td>Washington's Birthday</td>
</tr>
<tr>
<td>(5) March 31 (FLOATING)</td>
<td>Cesar Chavez Day</td>
</tr>
<tr>
<td>(6) Last Monday in May</td>
<td>Memorial Day</td>
</tr>
<tr>
<td>(7) July 4</td>
<td>Independence Day</td>
</tr>
<tr>
<td>(8) First Monday in September</td>
<td>Labor Day</td>
</tr>
<tr>
<td>(9) Second Monday in October</td>
<td>Columbus Day</td>
</tr>
<tr>
<td>(10) November 11</td>
<td>Veteran's Day</td>
</tr>
<tr>
<td>(11) Fourth Thursday in November</td>
<td>Thanksgiving</td>
</tr>
<tr>
<td>(12) The Friday after Thanksgiving</td>
<td></td>
</tr>
<tr>
<td>(13) December 25</td>
<td>Christmas Day</td>
</tr>
</tbody>
</table>

FLOATING holiday to be taken with ninety (90) work days on or after the observed holiday.

(b) Police Telecommunications Supervisors assigned to shifts (phase days) shall receive, in addition to their normal compensation, one day’s pay for each of the holidays listed in 12.1 (a) above, on which the employee does not work, except for floating holiday(s). Such employees required to work a holiday on a hire-back basis, shall be compensated at time and one-half (1½), in addition to their normal compensation (8 hours) and paid holiday (8 hours). Such employees required to work a holiday on a regularly scheduled basis shall be compensated at time and one-half (1½) overtime in addition to their normal compensation (8 hours). The maximum additional compensation subject to CalPERS for working the holiday will be twenty (20) hours.

(c) Fire Telecommunications Supervisors assigned to a 56-hour workweek shall receive, in addition to their normal compensation, 12 hours pay for each of the holidays listed in 12.1 (a) above regardless of whether the Fire
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2012 – June 30, 2013

Telecommunications Supervisor actually works on any or all of the listed holidays. Additionally, Fire Telecommunications Supervisors shall be compensated at the overtime rate for all time actually worked in excess of 12 hours on a holiday (excluding the floating holiday).

For employees on a Monday through Friday workweek, if holidays fall on a Sunday, the following Monday shall be observed. If holidays fall on Saturday, the preceding Friday shall be observed.

For employees on the 9/80 alternative work schedule, employee may shift their work schedule so that their 8 hour day falls on the designated holiday with the approval of their supervisor.
SECTION 13. COMPENSATION AND ALLOWANCES OTHER THAN BASE SALARY

13.1 Retirement Contribution Supplement

(a) For employees hired on or before June 30, 2011, the City will pay the Employer Paid Member Contribution of seven percent (7%) of the Mid-Management/Supervisory Level employees' current base salary and other compensation as qualified by State law towards the Public Employees' Retirement System (CalPERS). Such amounts will be applied to the employee's individual account in accordance with P.E.R.S. California Government Code Section 20615. Employees hired on or after July 1, 2011 will pay the seven percent (7%) employee contribution towards CalPERS.

Effective August 1, 2011, employees hired on or before June 30, 2011 will pay seven percent (7%) of the Employer's share towards the CalPERS benefit. This employees contribution will be made on a post-tax basis, unless the City obtains a ruling from the I.R.S. that these contributions can be made on a pre-tax basis. During the term of this MOU, the City and B&C shall implement a "flip" providing that employees will pay 7% of the employee's contribution towards the CalPERS benefit.

(b) For Employees hired on or before June 30, 2011, the City's CalPERS retirement plan is modified to reflect two percent (2%) at age 55, effective January 1993. Effective on or after July 1, 2011, or as soon as administratively feasible, the City of Stockton shall amend its contract with CalPERS in order to provide a second-tier CalPERS retirement plan with the 2% at 60 formula for all employees hired thereafter in all applicable classifications within the B & C unit, without inclusion of the additional benefits listed below in sections (c), (d), (e), (f), and (g).

(c) For Employees hired on or before June 30, 2011, the City will provide military service credit pursuant to the provisions of P.E.R.S. California Government Code Section 20930.3 and Section 20930.33, at the employee's expense, upon adoption by Stockton City Council and CalPERS Administration Board.

(d) For Employees hired on or before June 30, 2011, the City will provide P.E.R.S. California Government Code Section 20615.5 (Employer Paid Member Contributions Converted to Payrate During the Final Compensation Period) as added CalPERS benefits. At the beginning of
employee's last year of employment, the employee will pay their employees' seven percent (7%) benefit cost through an automatic payroll deduction. The City will increase the base salary for those employees by the same seven percent (7%) for the last twelve (12) months of employment. Internal Revenue Service (IRS) Code 414H (2) will be concurrently implemented with P.E.R.S. California Government Code Section 20615.5, effective upon adoption by the Stockton City Council and CalPERS Administration Board.

(e) For Employees hired on or before June 30, 2011, the City will provide P.E.R.S. California Government Code Section 20965 (Credit for Unused Sick Leave) as added CalPERS benefits, to be effective upon adoption by the Stockton City Council and CalPERS Administration Board.

(f) For Employees hired on or before June 30, 2011, the City will provide P.E.R.S. California Government Code Section 21382.5 (Fourth Level of 1959 Survivor Benefits) as added P.E.R.S. benefits, to be effective upon adoption by the Stockton City Council and CalPERS Administration Board.

(g) For Employees hired on or before June 30, 2011, the City will provide P.E.R.S. California Government Code Section 21335 (up to five percent 5.0% Annual Cost of Living Allowance Increase) as added CalPERS benefits, to be effective upon adoption by the Stockton City Council and CalPERS Administration Board.

13.2 Uniform Allowance

(a) Effective July 1, 2012, employees in the following classifications who are required to wear uniforms shall be paid an annual uniform allowance of eight-hundred and fifty dollars ($850.00), one-half payable in April and one-half payable in October.

(1) Fire Telecommunications Supervisor;
(2) Police Telecommunications Supervisor;
(3) Property Room Supervisor;
(4) Senior Police Telecommunications Supervisor; and
(5) Supervising Police Records Assistant.

(b) Effective July 1, 2012, employees in the following classifications who are required to wear uniforms shall be paid an annual uniform allowance of nine hundred dollars ($900.00), one-half payable in April and one-half payable in October.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2012 – June 30, 2013

(1) Animal Services Supervisor; and
(2) Supervising Evidence Technician.

(c) Effective July 1, 2012, employees in the following classifications who are required to wear uniforms shall be paid an annual uniform allowance of nine hundred and twenty-five dollars ($925.00), one-half payable in April and one-half payable in October.

(1) Senior Community Service Officer.

(d) The City shall increase the amount contributed for annual uniform allowance to all of the above classifications in section 13.2 (a), (b), and (c) by fifty dollars ($50.00) effective July 1st of each fiscal year.

(e) Safety Protective Footwear Reimbursement. Employees required to wear safety protective footwear in accordance with City Manager’s Administrative Directive HR-034, and approved for safety protective footwear reimbursement, the City will authorize safety protective footwear reimbursement in the amount of one hundred sixty dollars ($160.00).

13.3 Public Employees’ Retirement System (P.E.R.S.)

The City shall contribute an amount required by the Public Employees’ Retirement System (P.E.R.S.) to retain the present Retirement Program.

13.4 Deferred Compensation

(a) The City will provide at no cost to the employee, deferred compensation as a supplement to voluntary deferred compensation plans, if any, for which the individual employee may be eligible.

13.5 Mileage Reimbursement for Private Vehicle Use

Mid-Management/Supervisory Level employees who use their own vehicle on City business on a consistent and repetitive basis will be compensated at the current Internal Revenue Service (IRS) rate and in accordance with the City Manager’s Administrative Directive, MAN-16, Section III. B.

13.6 Longevity Pay

(a) Effective August 1, 2011, longevity pay shall be eliminated. The City, however, shall grandfather employees who have completed twelve (12) continuous years of service with the City as of July 1, 2012, with two and
one-half percent (2.5%) of the top salary step of the employee’s pay range to the employee as a professional growth.

As of July 1, 2012, longevity incentive pay allowance for these “grandfathered” employees shall be reduced to one and one-half percent (1.5%). As of June 30, 2013, longevity incentive pay allowance for these grandfathered employees shall be eliminated altogether. Nothing in this agreement prevents B&C from making a proposal on longevity pay in a successor MOU in accordance with the MMBA.

13.8 Call Back Pay

(a) Supervisors only who are called back to work shall be compensated at least two (2) hours and forty-five (45) minutes pay at time and one half (1-1/2) times his/her hourly rate of pay or for all time actually worked at time and one half (1-1/2) times his/her hourly rate of pay, if eligible for overtime as defined in Section 13.9 below, whichever is greater.

(b) To be eligible for call back pay, both of the following conditions must be met: 1) the call back must occur outside of the employee’s regular work hours including overtime, 2) the call back time worked must not be contiguous to the employee’s regular work hours including overtime and 3) an employee is ineligible to receive a premium for both standby and call back. For example, employee shall not receive standby pay for hours in which they are paid overtime or call back pay.

13.9 Standby Duty Pay

Supervisors only who are directed to remain on standby duty during their regular days off shall be paid $3.00 per hour while assigned to be on standby. An employee shall earn time and one-half (1-1/2) for all actual time worked while on standby duty status only if eligible for overtime as defined in Section 15.4 above. An employee shall not continue to receive the “standby” premium during actual time worked, or for any hours paid as overtime or call back. Standby shall not be considered as time in “paid status because of work performed” for purposes of calculating overtime.

13.10 Bilingual Pay

Job positions determined by the Department Head requiring bilingual translation skills shall receive a stipend amount of $140.00 per month for verbal translation skills, or $200.00 per month for verbal and written translation skills upon testing and certification by the Human Resources Department.
SECTION 14. INSURANCE PLANS

14.1 Health and Welfare Benefits

(a) Choice of Health Plans. Employees in this bargaining unit shall have a choice of enrolling themselves and their eligible dependents in any of the City sponsored medical, dental and vision plans. Each plan shall offer an Employee only, Employee plus One and Employee plus two or more dependants coverage. The City shall offer two or more medical plans to regular employees.

(b) Eligibility. Employees shall become eligible for Medical insurance on the first day of the month subsequent to completion of thirty (30) days of continuous service with the City. Employees shall become eligible for Dental insurance on the first day of the month subsequent to completion of sixty (60) days continuous service with the City. An eligible employee and eligible dependent may be enrolled in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner of another eligible City employee, but not both. If an employee is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee plan (i.e., an employee and his or her dependent cannot be covered by more than one City-offered health plan).

(c) City Contribution towards the cost of insurance programs. Effective September 1, 2011:

- The City shall contribute up to $481.00 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.
- The City shall contribute up to $875.00 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.
- The City shall contribute up to $1,165.00 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.

These contributions are based on full-time employment; regular part-time employees shall receive a prorated contribution based on their percentage of full-time employment. Insurance plan premiums that exceed the City’s
monthly contribution shall be paid by the employee through payroll deductions. The City shall maintain its IRS 125 Plan to allow for employee contributions for medical/visions/dental to be pre-tax premium conversion.

(d) Plan Rules. Employees may insure themselves and their eligible dependents under the medical, vision and dental plans provided by the City, in accordance with the rules and regulations applicable to the selected Plan. Benefits in the Plan shall be in accordance with the Plan document.

(e) Provisional and temporary employees are not eligible for any of the above benefits.

(f) Employees agree to the implementation of the modifications to the City’s Modified Plan, which is referred to in this MOU as “Modified Employee Medical Plan.” Modifications to the City’s Modified Plan shall be effective September 1, 2011.

(g) It is understood that a coalition of the City’s unions, including B & C, are exploring the possibility of providing a health plan for all city employees and retirees, independent from the City. On or before October 1, 2012, the Unions shall notify the City of whether they in fact are proposing to assume the provision of medical plans for employees and retirees. Should the City and unions in fact agree upon the unions administering their own plan, the terms of that assumption shall be established through meet and confer, as set forth in Appendix B. The terms of such plan, once agreed upon, shall supersede this section to the extent inconsistent, provided that the City’s contributions to such plan for active employees in this unit shall not exceed the maximum contributions set forth in subsection (c).

(h) If legally permissible, the City agrees to make Medicare contributions for employees hired in 1985 to 1986 who are not currently covered by Medicare, provided that such payments shall be on a going forward basis only, and such unit members shall be required to pay the employee matching contribution to Medicare. To the extent legally permissible, Unit members may contribute to Medicare to purchase credit retroactively provided such unit members do so at their own expense, including both the employee and employer share.

14.2 Group Life Insurance Coverage

Effective July 1, 2012, the City shall provide, at no cost to the employee, term life insurance policy with a value of $50,000. In addition, employees shall have the
opportunity to purchase additional insurance for a coverage level up to three times their annual salary, not including the $50,000 City paid policy, at their own expense, provided the City’s insurance carrier is willing to provide such insurance.

14.3 Long Term Disability Insurance Coverage

Mid-Management/Supervisory Level employees will receive long term disability insurance coverage. Plan benefits shall be as describe in the Plan document, but shall include:

(a) Each disability - approximately 66 2/3% of salary up to the maximum salary replacement amount as specified in the City's long term disability plan.

(b) A 90-day waiting period before eligibility for benefit. Employees may use sick leave and other leave balances to cover this waiting period, or leave without pay.

(c) Benefit payable until age sixty-five (65).

(d) The City shall continue its normal contribution for employee medical premiums during the ninety (90) days waiting period.

14.4 Retiree Medical Allowance for Employees hired on or before June 30, 2011

a. Eligibility. An eligible retiree and eligible dependent may be enrolled in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner or another eligible City employee/retiree, but not both. If an employee/retiree is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee or retiree’s plan (i.e., a retiree and his or her dependent cannot be covered by more than one City-offered health plan).

b. City Contribution for the period of July 1, 2012 through June 30, 2013. The City shall provide to employees retiring from the City the following contribution towards the costs of retiree medical insurance from July 1, 2012 through June 30, 2013.

(1) Employees retiring with over 10 years of full time service with the City of Stockton as a regular employee shall receive a City
contribution of $150 a month towards the cost of retiree medical insurance.

(2) Employees retiring with over 20 years of full time service with the City of Stockton as a regular employee shall receive a City contribution of $300 a month towards the cost of retiree medical insurance.

(3) Employees retiring with over 30 years of full time service with the City of Stockton as a regular employee shall receive a City contribution of $450 a month towards the cost of retiree medical insurance.

(4) Employees with less than 10 years of service for the City shall not be eligible for a city contribution towards retiree medical.

(5) Benefits for part time employees who retire are prorated based on their full time equivalent.

(6) The City contributions shall end with the death of the retiree and no survivor benefits are provided.

(7) Retirees may enroll themselves or their dependents at their own expense in City sponsored medical plans only (dental and vision are not offered to retirees). The City reserves the right to set benefit levels in medical plans for retirees and at its exclusive option only provide fully insured plan choices to retirees for enrollment. The City reserves the right to discontinue inclusion of retirees in City sponsored medical plans at any time.

The City’s commitment to provide retiree medical benefits during the 2012-13 fiscal year is to the retiree and shall end upon the death of the retiree. Surviving spouses shall not be eligible for any city paid benefit after the death of the city retiree. Any benefits previously paid to surviving spouses have been paid in error and without the approval of the City Council.

Effective June 30, 2013, the City shall no longer provide a contribution towards the cost of retiree medical insurance for current employees (future retirees) and current retirees.

14.2 Alternative Retirement Medical Plans
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU

Term: July 1, 2012 – June 30, 2013

The parties have negotiated that employees may choose to enroll in one or more additional health plans instead of the City Modified Plan (including but not limited to Kaiser Senior Advantage).

This language sets forth the conditions in which current employees, when they retire from the City and otherwise qualify for a retiree medical benefit from the City as stated in Sections 14.1 of this MOU, may also choose to enroll in City sponsored alternative plans in the same manner as when they were employees, as well as retiree only medical plans. The following conditions shall apply:

(a) If an employee is in a City sponsored alternative plan at the time of retirement, the employee shall be allowed to continue in that Plan. Employees in the union sponsored plans authorized by the City at the time of retirement shall be allowed to continue in that Plan. (Operating Engineers units).

(b) Employees not in an alternative Plan at the time of retirement shall not be allowed to enroll in any alternative plan except that; any retiree may voluntarily enroll in a City sponsored retiree only Plan.

A retiree may only enroll in alternative plans other than the City Modified Plan when:

(a) The retiree selecting plans other than the City’s Modified Plan must agree that the City’s financial contribution to a premium payment for any other Plan shall not exceed the current contribution amount the City would pay if the retiree is enrolled in the City Modified Plan, and

(b) The individual retirees will be required to sign a form that indicates their agreement with these conditions.

The City reserves the right to eliminate these additional plans and the choice of multiple plans is not a vested right. Like the City Modified Plan, the City reserves the right to make plan design changes as necessary in these Alternative Plans.

14.3 Medicare Supplemental Coverage Requirements Only.

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 which includes medical design changes effective September 1, 2011 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.
Under the federal Health Care Reform Plan, sponsors may modify the medical benefits provided to retirees only. The City will modify its retiree health care plan to reflect the following:

(a) Return Plan benefits for Acupuncture to 12 visits per year (instead of unlimited) and returns the payment percentage paid to 60% (instead of 80%);

(b) Return Plan benefits for Alcohol and Drug Treatment admissions to 30 days and 3 lifetime admissions (instead of unlimited);

(c) Return Plan benefits for Outpatient Mental Health or Nervous Disorder services to 15 visit maximum (instead of unlimited);

(d) Change Plan benefits for Preventative care and wellness to 80% instead of current 100%;

(e) Return Plan benefits on the lifetime cap on plan benefits to $2.5 million (instead of unlimited);

(f) Return Plan benefits on the maximum age of dependent children to be enrolled in the Plan to age 19 unmarried, and not serving in the armed forces to 23 if attending school full time and qualifies as a dependent for federal income tax purposes (instead of age 26); and

(g) Change Plan benefits for Emergency room benefits.

If portions or the whole of the Federal Affordable Care Act is modified subsequent to the adoption of this memorandum of understanding, the City and B&C will meet and confer over any identifiable negotiable impact(s) of those modifications.

14.9 Elimination of Retiree Medical Benefits for Unit Members Hired on or after July 1, 2011

The City will not provide a retiree medical allowance, retiree medical supplement, a defined contribution, a retiree medical trust or any other retiree medical benefit for employees in this unit hired on or after July 1, 2011.

14.10 It is understood that the terms of this section, other than the terms covering the City's contributions, may be superseded should the City and unions agree that
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2012 – June 30, 2013

the medical plans shall be administered by the Unions as set forth in section 14.1(g), above.

14.11 Nothing in this section shall be construed to create vested rights to benefits for employees or retirees after the expiration of this MOU.
SECTION 15. SALARY PLAN

15.1 Salary Adjustments

There shall be no salary adjustments for the term of the contract.

15.2 Salary Equivalents

Any monthly, daily or hourly rate of pay may be converted into any equivalent rate of pay or to any other time base when such a conversion is appropriate. In determining equivalent amounts on different time basis, the City shall provide tables or the 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.

15.3 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.

15.4 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 Director of Human Resources.

15.5 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 range of the higher rank which is at least five percent (5%) above the rate the employee has been receiving, except that the next 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 class to which demoted.
15.6 **Salary On Reinstatement**

If a former employee is reinstated in 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.

15.7 **Acting Pay**

An 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 after five (5) days, 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.

The increased rate of pay will commence with the first day of the assignment; however, to qualify the employee must meet the above conditions before being eligible for Acting Pay.

15.8 **Pay Equity Adjustments**

The City recognizes that there may be a need for special salary adjustments for selected classifications as a result of recruitment problems, reclassifications, and/or organizational changes. The City, in its sole discretion, may make such adjustments, but agrees to discuss with the Association.

15.9 **Special Assignment Pay**

The department head and with the concurrence of the Director of Human Resources may approve additional compensation in an amount not to exceed one additional salary step when an employee is assigned to perform additional duties and responsibilities for the duration of the special assignment.

15.10 **Emergency Medical Services (EMS) Dispatcher Accreditation Pay**

(a) The City and the Association acknowledge that California Health and Safety Code section 1797.220 directs the local emergency medical services (EMS) agency to establish policies and procedures to assure medical control of the emergency medical system.

(b) The City and the Association acknowledge that as of July 1, 2008, the San Joaquin County EMS Agency requires all employees of agencies providing emergency medical dispatch (EMD) services to possess and maintain accreditation through San Joaquin County, to include compliance
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU

Term: July 1, 2012 – June 30, 2013

with EMS Agency and National Academies of Emergency Dispatch (NAED) policies, procedures, protocol, and standards. Fire Telecommunications Supervisors are among those employees represented by the Association who must acquire and maintain accreditation by the San Joaquin County EMS Agency as a condition of providing EMD services for the City.

(c) The City and the Association acknowledge that in the event the San Joaquin County EMS Agency rescinds the certification of any bargaining unit employee as a result of any dispute arising from the exercise of the power set forth in San Joaquin County EMS Agency Policy No. 2101 (or any successor or similar policy), the City will make every effort, insofar as practicable and fiscally responsible, to employ such persons in positions for which such employees are qualified or may become qualified within a reasonable period of time and that do not require accreditation by the San Joaquin County EMS Agency.

(d) Emergency Medical Services (EMS) Dispatcher Accreditation Pay. Effective January 1, 2009, the City shall compensate all Fire Telecommunications Supervisors who are accredited as San Joaquin County Emergency Medical Services Dispatchers an additional one-hundred seventy five dollars ($175) per month. If the employee fails to maintain the accreditation or if the accreditation is no longer required for the position, payment of the stipend shall cease.

(e) Continuing Education for Emergency Medical Dispatchers. The City shall provide to Fire Telecommunications Supervisors all necessary EMD continuing education during normal working hours and at no cost to the employee. However, employees who do not participate in the EMD training offered by the City during normal working hours shall be responsible to complete the necessary continuing education on their own time without additional compensation; provided, however, that all necessary ride-along hours shall be compensated as time worked.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2012 – June 30, 2013

SECTION 16. SEVERABILITY OF PROVISIONS
In the event that any provisions of this Memorandum of Understanding are declared by
the 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. PAST 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.

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.

SECTION 19. DURATION OF AGREEMENT
All provisions of this Memorandum of Understanding shall be effective June 30, 2012
shall remain in full force and effect to and including the 30th day of June, 2013, and shall
continue thereafter from year to year unless at least sixty (60) days prior to the
expiration date of June 30, 2013, 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/CITY RIGHTS

(a) It is recognized that the need for continued and uninterrupted operation of City services is of paramount importance. Therefore, the Association and each employee represented thereby agrees that from 12:01 a.m. of June 30, 2012, through and inclusive of June 30, 2013 the Association or any person acting in its behalf, or each employee in a classification represented by the Association shall not cause, authorize, engage in, encourage, or sanction a work stoppage, slowdown, 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. The City may take other action, which 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 Association, the City may take such remedial action, as it deems appropriate.

(d) The Association recognizes the duty and obligation of its representatives and members to comply with the provisions toward inducing all employees in this unit to fully and faithfully perform their duties. In the event of any activity prohibited by subsection (a) hereinabove, the Association agrees to take supererogatory steps necessary to assure compliance with this Memorandum of Understanding.

(e) The rights of the City as set forth in Section 5 of Resolution No. 32,538, dated August 4, 1975, are incorporated herein by reference.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2012 – June 30, 2013

SECTION 21. BANKRUPTCY

Mid-Management/Supervisory Level ("B&C" defined for the purposes of this section as including without limitation: B&C's members, bargaining unit members, officials, attorneys and affiliates) agrees that this MOU shall supersede the terms of all prior MOUs, sideletters, and any other agreements between the parties as to the subjects covered herein. By voluntarily entering into this MOU, B&C agrees that this MOU shall supersede and modify the MOU between the parties dated January 1, 2009 through June 30, 2014, and all provisions of such MOU, including any increases or modifications that would have been due under the previous MOU, and that B&C voluntarily accepts the City's unilaterally-adopted changes to compensation and benefits resulting from the February 2012 Emergency Declaration.

B&C further agrees that it will not oppose the City's eligibility for chapter 9 relief. B&C agrees to support any plan of adjustment the provisions of which, as to B&C, are consistent with this MOU.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2012 – June 30, 2013

IN WITNESS WHEREOF this Memorandum of Understanding was ratified by a membership vote of the Association on July __, 2012, and by an affirmative vote of the Stockton City Council on July 24, 2012. The parties hereto have executed this Memorandum of Understanding this ___ day of July 2012.

Mid-Management/Supervisory Level Unit

ROBERT APPLEGATE
President

City of Stockton

BOB DEIS
City Manager

TERESIA HAASE
Director of Human Resources

Approved as to form:
John Luebberke, City Attorney

By:

DEANNA SOLINA
Deputy City Attorney

Approved as to form:
Goyette & Associates, Inc.

By:

KIM GILLINGHAM
Labor Representative for Association

ATTEST:
BONNIE PAIGE
CITY CLERK

CITY OF STOCKTON

55
APPENDIX B – UNION ASSUMPTION OF MEDICAL PLANS

City Counter Proposal Regarding Union Assumption of Medical Plans

The City is supportive in concept of the unions taking over responsibility for providing medical insurance plan, and pledges its full cooperation in providing the necessary data to permit the Unions to assess the viability of such a plan. Acceptance of the plan by the City shall be subject to the following terms and conditions:

1. Such plan would not be City sponsored and the City would not have any responsibility for such plan including administration of the plan and client services, and unions/vendor will hold city harmless for any actions taken by vendor or union in its management of their plans. The City will pay its contributions for employee insurance coverage as set forth in individual MOUs and remit them to the plan administrator per any administrative agreement. City will process employee’s deductions and remit to vendor and such costs of providing this service is part of administrative expense to be paid by union per any agreement as described in #11 below.

2. Plan participants to pay all administrative costs of the plan, including HR support and computer/data transfer/integration.

3. Such plan would include all city employees and eligible retirees. All plan enrollees would have same benefits, plan choices, eligibility, access to the network and premium costs and be treated in the same manner. The only exception would be for over age 65 retirees where plan benefits would be integrated with Medicare.

4. The plan would be fully insured, such that all risks would be borne by the insuring company without the possibility of underfunding the benefit

5. The Unions will not propose CalPERS medical plans.

6. Implementation shall be by January 1, 2013, provided the Unions provide at least 90 days notice to the City.

7. The City will pay all run out claims from the Modified and Original medical plans with respect to any claim incurred prior to January 1, 2013, regardless of when the claim is paid. The City shall make all reasonable efforts to insure that all claims received are processed timely during the claims run out period. If any
funds remain in the ISF fund, the parties will meet to discuss the status of the funds.

8. It is understood that the union plans would stay in effect for at least five years, and the Unions will give the City at least 1 year’s notice if they intend to terminate this arrangement. The City may only terminate the agreement with good cause regarding the failure of the plan to provide agreed upon benefits, and with evidence of continuing coverage for affected employees and retirees in the succeeding City sponsored plans. The City makes no commitment to any future arrangement of City administered medical insurance should the union plans be discontinued by the union’s actions.

9. The City retains the right to terminate the sponsorship by the unions of any health plan as a result of any legislation that would require the City to provide plans to its employees or pay penalties in lieu of providing such plans, for example, as under the Affordable Care Act or any additional or successor legislation

10. Existing limits on City contributions to medical/dental/vision (agreed or imposed) remain unchanged.

11. It is understood that once the unions obtain quotes for coverage, the parties will meet and confer regarding significant issues regarding the implementation and viability of such plan, including, but not limited to the following:

- Coverage of "tail" claims; Fully fund all reserves for Incurred but Not Reported and Pended Claims
- Calculation and method of paying administrative costs;
- Hold harmless to City for any actions taken by vendor/union coalition;
- Union plan may discontinue Original Plan benefits for retirees.

The City retains the right to accept or reject any union proposals on a union sponsored plan(s) during meet and confer following union receipt of bids, based upon financial, operational, legal or coverage concerns.
MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON AND THE MID-MANAGEMENT/SUPERVISORY LEVEL UNIT (B&C)
RECOMMENDATION

It is recommended that the City Council adopt by motion the attached Mid-Management/Supervisory Level Unit (B&C) successor Memorandum of Understanding (MOU) effective July 1, 2014 through June 30, 2016. The City Council adoption will authorize the City Manager to execute the MOU and also authorize the City Manager to take actions appropriate to carry out the implementation of the MOU.

Summary

Representatives of the City met and conferred with representatives of B&C on a successor Memorandum of Understanding to become effective July 1, 2014 with a term of two years, expiring June 30, 2016. The B&C MOU expired on June 30, 2014 and, therefore, the City and B&C unit desired to negotiate a successor MOU effective after that expiration. The successor MOU presented herein has a small increase to the City’s medical contribution effective after ratification and another small increase in the second year of the agreement. Further, there is no compensation increase proposed in the first year, and there is a 2% cost of living increase adjustment (COLA) to base pay effective the second year of the contract. Both increases are consistent with the City’s long range financial plan as incorporated into the City’s plan for exiting bankruptcy. Other than the COLA, the B&C successor MOU contains similar terms and conditions as the prior two years. The parties reached a tentative agreement and the City has received notification from B&C that their union ratified this successor MOU. The successor MOU is attached, including a final and legislative formal, as Attachments A and B respectively.

DISCUSSION

Background

The City has had substantial fiscal shortfalls over the past several years culminating in the bankruptcy filing in June of 2012. On June 26, 2012, the City Council adopted a final budget for Fiscal Year 2012/2013 under the Pendency Plan filed for the bankruptcy proceedings. It also adopted as part of its Pendency Plan changes in compensation and benefits. In July 2012, the City Council adopted a successor MOU for B&C with a term of one year, July 1, 2012 through June 30, 2013. For fiscal year 2013/2014, B&C agreed to a "contract rollover" and amendment to extend their MOU for a one year term, through June 30, 2014 with minimal changes. Now, the existing MOU is expired, and the City and B&C have since been meeting on the terms of a successor MOU.
Present Situation

The City and representatives from B&C have met and conferred and reached a tentative agreement on a successor Memorandum of Understanding. The parties commenced negotiations on April 9, 2014 and met for a total of five times through June, 2014. On December 2, 2014, the City was notified that members of B&C voted and ratified the successor MOU presented herein. This MOU is presented to Council for your consideration and adoption. The terms and conditions of the MOU presented to Council are similar to the terms included in the B&C MOU and MOU Amendment for the past two years.

The relevant amendments under the successor MOU for B&C are summarized as follows:

1. MOU Contract Term for two years - July 1, 2014 through June 30, 2016;
2. No salary increase for fiscal year 2014/2015;
3. 2% base pay increase (COLA) effective July 1, 2015, consistent with the City’s long range financial plan (MOU Section 15.1);
4. City Contribution Towards Health Insurance - the City has agreed to a small increase to the City’s capped health insurance premium contribution towards employee health insurance premiums for both fiscal years of the contract, consistent with the City’s long range financial plan (MOU Section 14.1 (c)).

The monthly increase in the City’s capped contribution effective the first full pay period after Council approval will be:

- $10 per month for Employee Only;
- $19 per month for Employee plus 1 Dependent; and
- $25 per month for Employee plus 2 or more Dependents;

Effective July 1, 2015, the increase in the City’s capped contribution will be:

- $11 per month for Employee Only;
- $19 per month for Employee plus 1 Dependent; and
- $26 per month for Employee plus 2 or more Dependents;

Please note the rates in Attachment B are being updated from FY2012/2013 rates, there was an increase included in the FY2013/2014 rollover and amendment which were not reflected in the MOU document. This explains why the edits appear to be increases greater than those listed above.

5. Uniform Allowance Capped Contributions- B&C has agreed to freezing current uniform contribution levels for eligible employees, and eliminating an automatic escalator each fiscal year (MOU Section 13.2);
6. Vacation Sell-back- B&C has agreed to continue the suspension of vacation sell-back during the term of the contract and until a successor MOU is reached (MOU Section 9.3);
7. Elimination of overtime pay for Fire Telecommunication Supervisors when working on a holiday, commencing June 30, 2016 (MOU Section 12.1 (c)); this will eliminate the practice of paying 12 hours of overtime on a holiday when they otherwise would not be eligible for overtime;
8. Overtime Exemption job reclassifications- Pursuant to Fair Labor Standards Act (FLSA)
regulations, B&C has agreed for the City to reclassify 42 positions as FLSA exempt; meaning these positions will no longer be eligible for overtime pay (MOU Section 11.1 (e)), and these positions will receive the increased vacation accrual as provided to other exempt employees;

9. Efficiency Measures - B&C has agreed to a reopen clause to meet and confer upon City's request on proposed efficiency measures, i.e., organizational, operational or staffing changes that are a result of necessary efficiency implementations (MOU Section 1.3);

10. Health Insurance - B&C has agreed to a reopen clause to meet and confer upon City's request regarding proposals related to City sponsored medical plans and implementation of the Affordable Care Act (ACA) (MOU Section 14.0);

11. State Disability Insurance - The City has agreed for B&C members to elect to receive State Disability Insurance (SDI) coverage at their own expense (MOU Section 14.5);

12. Agreement to release and waive all claims in bankruptcy and agrees to support any City Plan of Adjustment that is not inconsistent with the new Memorandum of Understanding or any subsequent Memorandum of Understanding between the parties (MOU Section 21); and

13. Elimination of obsolete language and other language cleanup changes.

FINANCIAL SUMMARY

The cost for the 2% COLA beginning July 1, 2015 is $309,000 of which $77,000 is a General Fund cost.

The cost for the new B&C MOU for the health contribution increase is approximately $32,000 annually. Due to the mid-year implementation the cost in Fiscal Year 2014-15 will be approximately $14,000 of which $4,000 is a General Fund cost; the total increased cost for both years is approximately $46,000 of which $13,000 is a General Fund cost.

The cost avoidance from eliminating the uniform cost escalators is approximately $1,100 each fiscal year.

While vacation sell-back has been suspended since February 2012, the future cost avoidance from continuing to suspend vacation sell back is $235,000 of which $59,000 represents a savings to the General Fund.

Labor cost avoidance due to eliminating overtime pay for Fire Telecommunications Supervisors working on a holiday effective June 30, 2016, is approximately $2,000 per year.

Attachment A - Mid-Management/Supervisory Level Unit MOU
Attachment B - Mid-Management/Supervisory Level MOU, legislative format
Resolution 2015-01-27-1202 related to the City's participation in the CaliforniaFIRST Property Assessed Clean Energy (PACE) Program:

1. Authorizing the California Statewide Communities Development Authority to accept applications from property owners, conduct contractual assessment proceedings, and levy contractual assessments within the Stockton city boundaries, and authorizing related actions.

2. Authorizing the City Manager, or his designee, to execute all documents and take any actions necessary and appropriate to carry out the intent of this resolution.

Legislation Text

Proposed Resolution - CaliforniaFirst PACE Program

Approved Resolution 2015-01-27-1202

12.3 14-1291 "ONE VOICE" PROJECT PRIORITIES FOR FEDERAL FISCAL YEAR 2015-16

Motion 2015-01-27-1203 authorizing the submittal of three projects to the San Joaquin Council of Governments (SJCQG) for proposed federal funding as part of the annual "One Voice" trip to Washington, D.C.

It is further recommended that the motion authorize the City Manager to execute associated agreements and undertake any other actions that may be appropriate to accept and receive the funding in the event that the funding requests are successful.

Legislation Text

12.4 14-1300 MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON AND THE MID-MANAGEMENT/SUPERVISORY LEVEL UNIT (B&C)

Motion 201-01-27-1204 adopting the attached Mid-Management/Supervisory Level Unit (B&C) successor Memorandum of Understanding (MOU) effective July 1, 2014 through June 30, 2016. The City Council adoption authorizes the City Manager to execute the MOU and also authorizes the City Manager to take actions appropriate to carry out the implementation of the MOU.

Legislation Text

Attachment A - MOU
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

CITY OF STOCKTON

MID-MANAGEMENT/SUPERVISORY LEVEL
MEMORANDUM OF UNDERSTANDING

The Stockton Mid-Management/Supervisory Level bargaining unit and representatives of the City of Stockton have met and conferred in good faith regarding wages, hours and other terms and conditions of employment of employees employed in the representation unit identified in Section 1, 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 for salary and employee benefit adjustments for the period commencing July 1, 2014, and ending June 30, 2016.
### MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU

**Term:** July 1, 2014 – June 30, 2016

#### Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Recognition</td>
<td>3</td>
</tr>
<tr>
<td>2</td>
<td>Association Security</td>
<td>4</td>
</tr>
<tr>
<td>3</td>
<td>Compliance with Federal Laws</td>
<td>8</td>
</tr>
<tr>
<td>4</td>
<td>Probation</td>
<td>9</td>
</tr>
<tr>
<td>5</td>
<td>Layoff</td>
<td>10</td>
</tr>
<tr>
<td>6</td>
<td>Reemployment</td>
<td>14</td>
</tr>
<tr>
<td>7</td>
<td>Discipline</td>
<td>15</td>
</tr>
<tr>
<td>8</td>
<td>Grievance Procedure</td>
<td>16</td>
</tr>
<tr>
<td>9</td>
<td>Leaves</td>
<td>20</td>
</tr>
<tr>
<td>10</td>
<td>Days and Hours of Work</td>
<td>30</td>
</tr>
<tr>
<td>11</td>
<td>Overtime</td>
<td>31</td>
</tr>
<tr>
<td>12</td>
<td>Holidays</td>
<td>34</td>
</tr>
<tr>
<td>13</td>
<td>Compensation and Allowances Other Than Base Salary</td>
<td>36</td>
</tr>
<tr>
<td>14</td>
<td>Insurance Plans</td>
<td>41</td>
</tr>
<tr>
<td>15</td>
<td>Salary Plan</td>
<td>45</td>
</tr>
<tr>
<td>16</td>
<td>Severability of Provisions</td>
<td>48</td>
</tr>
<tr>
<td>17</td>
<td>Past Practices and Existing Memoranda</td>
<td>48</td>
</tr>
<tr>
<td>18</td>
<td>Scope of Agreement</td>
<td>48</td>
</tr>
<tr>
<td>19</td>
<td>Duration of Agreement</td>
<td>48</td>
</tr>
<tr>
<td>20</td>
<td>Maintenance of Operations/City Rights</td>
<td>49</td>
</tr>
<tr>
<td>21</td>
<td>Bankruptcy</td>
<td>50</td>
</tr>
<tr>
<td>A</td>
<td>Appendix A- Job Classifications Reclassified as FLSA Exempt</td>
<td>52</td>
</tr>
</tbody>
</table>
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

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, hereinafter 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 Association Recognition

The City of Stockton Management B & C Employees Group, hereinafter referred to as "Association", is the recognized employee organization for the Mid-Management/Supervisory Level Bargaining Unit certified pursuant to Resolution No. 91-0014, adopted by the City Council on January 2, 1991.

1.3 Reopener

The Association agrees to meet at the City's request for the purpose of meeting and conferring on any changes that would be a mandatory subject of bargaining that may result from any City proposal on organizational, operational or staffing changes that are a result of efficiency measures during the term of this contract.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

SECTION 2. ASSOCIATION SECURITY

2.1 Dues Deduction

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

Payroll deduction shall be for a specified amount and consistent for all employee members of the Association and shall not include fines, fees, and/or assessments.

(b) Authorization Required. Authorization, cancellation or modification of the payroll deduction shall be made upon forms provided or approved by the City. The payroll deduction authorized shall remain in effect until cancelled or modified by the employee by written notice to the City or until the first day of the calendar month following the transfer of the employee to a unit represented by another employee organization as the representative of the unit to which the employee is assigned, or until employment with the City is terminated.

(c) Authorization Not Required to Dues Increases. Additional authorization shall not be required for deduction of increased membership dues when such increase has been duly approved by the membership of the Association. Notification of such approval shall be forwarded to the City in the form of written notice of official Association letterhead and signed by the Association President or other duly authorized Association official. Upon receipt of notification, the City shall authorize the payroll deduction of the increased amount.

(d) Transmittal of Association Dues. Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Association as the person authorized to receive such funds, at the address specified.

(e) Other Deductions. In addition to the deduction of dues, the City will deduct from the paychecks of Association members who request it, premiums for group insurance and investment plans sponsored by the Association. Such deduction shall occur only upon signed authorization from the employee upon a form satisfactory to the City. Such authorization may be made or changed no more frequently than yearly.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

(f) **Effect of Non-Pay Status on Dues Check-Off.** 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 withholding will be made to cover that pay period from future earnings 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 the period. In the case of an employee who is in a non-pay status during a part of the pay period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other required deductions have priority over the employee organization deduction.

(g) **Indemnity and Refund.** The Association shall indemnify, defend and hold the City harmless against any claim made and against any suit initiated against the City on the account of check-off of Association dues or premiums for benefits. In addition, the Association shall refund to the City any amounts paid to it in error upon presentation of a written document demonstrating the error.

2.2 **Use of City Facilities**

The Association 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 Association business, such as times and places of meetings, provided such use does not interfere with the needs of the department.

Any representative of the Association shall give notice to the department head or his designated representative when contacting department employees on City facilities during the duty period of the employees, provided that solicitation for membership or other internal Association business shall be conducted during the non-duty hours of all employees concerned. Prearrangement for routine contact may be made with the individual department heads and when made shall continue until revoked by the department heads.

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

Members of the Association are prohibited from using City equipment and/or time for their own personal use.
2.3 **Advanced Notification**

Except in cases of emergency, reasonable advance written notice shall be given to the Association if related to matters within the scope of representation proposed to be adopted by the City and shall be given the opportunity to negotiate, if requested, with the designated management representatives prior to adoption.

In cases of emergency when the foregoing procedure is not practical or in the best public interest, the City may adopt or put into practice immediately such measures as are required. At the earliest practical date thereafter, the Association 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 Association shall be given reasonable time off with pay to attend meetings with City Management representatives, 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 with the performance of City services as determined by the City. Time spent for these purposes while a representative is not scheduled to work shall not be compensated by the City and shall not be considered as hours worked. 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) employees.

2.5 **Maintenance of Membership**

(a) Association membership is not a mandatory condition of employment for any employee covered by this Agreement. However, any employee covered by this Agreement, who is an Association member on or after the date of this Agreement is ratified by the Association membership, shall continue to pay to the Association those dues or fees regularly charged members of the Association in good standing for the life of this Agreement.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

(b) Every employee who is a member of the Association shall have the right to withdraw from membership no sooner than 120 days or no later than 60 days of the expiration date of this Agreement, as contained in Section 19 Duration of Agreement. An employee who has properly withdrawn membership as provided herein shall not be subject to the provisions of this Section.

(c) Upon return from leaves of absence, the City shall reinstate the payroll deduction of Association dues for those employees who are on dues check-off immediately prior to taking leave, provided that the employee has not authorized cancellation of dues check-off in accordance with the prescribed provision or the Agreement under which they were a member has not expired.

(d) Enforcement of this Section shall be the responsibility of the Association, utilizing appropriate civil procedures.
SECTION 3. COMPLIANCE WITH FEDERAL LAWS

3.1 Non-Discrimination

(a) Non-Discrimination. The City and the Union agree that there shall be no discrimination of any kind because of age (over 40), race, creed, color, religion, national origin, ancestry, veterans status, physical or mental disability, marital status, sexual orientation, sex (sexual, gender based, pregnancy/childbirth), political affiliation or legitimate union activity or on any other basis prohibited by applicable federal and State law against any employee or applicant for employment.

(b) The Association shall cooperate with the City, to the extent required by federal and State laws and regulations, in furthering the objective of Equal Employment Opportunities, as defined by Federal and State regulations.
4.1 **Supervisory Level**

Original and promotional appointments shall be tentative and subject to a probationary period of six (6) months. The probationary period shall not be extended.

4.2 **Mid-Management Level**

All Mid-Management Level positions do not have Civil Service status. Employment and separation of employment will be consistent with State Law.

4.3 **Retention/Rejection of Probationer**

During the probationary period a Supervisory level employee may be rejected at any time by the appointing authority. Any employee who held a position in the classified service and subsequently appointed to a position in the unclassified service and subsequently removed from such position that employee shall have the right to be employed in a position comparable to his/her formerly held position in the classified service from which he/she was promoted unless charges are filed and he/she is discharged in the manner provided in section 7 of this Memorandum of Understanding, the Civil Service Rules and Regulations, the Stockton Municipal Code, and/or any other applicable City policy.
SECTION 5. LAYOFF

5.1 Layoff

Any employee may be laid off by an appointing authority in the event of the abolition of the employee's position by the City Council, or if a shortage of work or funds requires a reduction in personnel. In doing so, the City shall follow the layoff procedure set forth herein below.

5.2 Layoff Scope

(a) The City shall designate the number of layoffs in each bargaining unit classification for each department of the City.

(b) Departments of the City are defined as follows:

(1) Administrative Services
(2) Attorney
(3) City Auditor
(4) City Clerk
(5) City Manager
(6) Community Development
(7) Community Services
(8) Economic Development
(9) Fire
(10) Human Resources
(11) Information Technology
(12) Municipal Utilities
(13) Police
(14) Public Works

5.3 Notice of Layoff

The City will give advance written notice of at least two (2) weeks to employees who will be laid off.

5.4 Precedence by Employment Status

No bargaining unit employee having regular status shall be laid off while employees working in seasonal, temporary, provisional, or probationary status are retained in the same or comparable classification as such regular employee.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

The order of layoff among bargaining unit employees not having not regular status shall be as follows:

(a) First, seasonal employees;
(b) Second, provisional employees;
(c) Third, temporary employees; and
(d) Fourth, probationary employees.

Layoffs shall be by job classification according to reverse order of seniority as determined by total service in the City, except as specified above. For the purpose of this procedure, regular part-time classes shall be considered as separate from regular full-time classes.

The following provisions shall apply in computing total continuing service:

(a) Time spent on military leave shall count as service in the event the leave was taken subsequent to entry into regular City employment.
(b) Time worked in seasonal, provisional, temporary, grant or other limited term status shall not count as service.
(c) Time worked in a regular status or probationary status shall count as service.
(d) If two (2) or more employees have the same seniority, the order of seniority shall be determined by their respective ranking on the eligibility list for hire.

If two (2) or more employees have the same seniority, but were not hired from a ranked eligibility list, the order of seniority shall be determined by lot.

If two (2) or more employees have the same seniority, but were hired from separate ranked eligibility lists, the order of seniority shall be determined by lot.

(e) Regular status part-time employees shall not have the right to bump regular status full-time employees.
5.5 **Order of Layoff and Employee Options**

Reduction in force shall occur in the following order:

(a) The least senior employee occupying the position(s) being eliminated shall be the first laid off. The incumbent designated for layoff shall have the options noted below:

(1) Displacing the least senior employee occupying the same or comparable classification, Citywide.

(2) Taking a voluntary demotion within the City to a classification in which the employee had prior regular status, thus displacing the employee working in that classification who has the least seniority.

(b) Seniority for the purposes of application of the layoff procedure in section 5 is determined by total City employment, excluding employment as a seasonal, provisional, or temporary employee.

(c) Comparability of employee classifications for the purposes of application of the layoff procedure in section 5 shall be determined by the Director of Human Resources.

(d) An employee displaced in accordance with section 5 shall be laid off in the same manner as an employee whose position has been abolished.

5.6 **Health and Welfare Benefits During Layoff**

Regular employees who are laid off will have an option of maintaining their existing health and welfare benefits for thirty-six (36) months (the thirty-six (36) months runs concurrently with any COBRA benefits) from the date of layoff, provided timely payments of the premiums by the employee are made to the City, according to City regulations, and provided the employee otherwise meets the requirements of federal and state regulations.

5.7 **Voluntary Layoff**

When a determination has been made that a layoff will occur, regular full-time employees may elect to be voluntarily laid off regardless of their seniority status. The following provisions apply to an employee who so elects to be laid off:

(a) For payroll purposes, the employee will be treated as being on approved leave of absence without pay for up to twelve (12) months.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

(b) The employee will have the option to either retain sick leave and/or
vacation balances for up to one (1) year in anticipation of reemployment or
be paid off for those leaves in accordance with applicable provisions of
this Memorandum of Understanding.

(c) The names of employees who elect to be voluntarily laid off will be placed
on reemployment lists in accordance with section 6.
SECTION 6. REEMPLOYMENT

(a) 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 and is ready to report for duty when a position is open, the City shall cause the name of such employee to be placed on 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. An employee who waives reemployment three times shall have his/her name removed from this reemployment list unless mutually agreed to by the City and employee.

(b) The order in which names shall be placed on the reemployment list for any class shall be by seniority, which means "last laid off, first rehired."

(c) In filling vacancies, eligibles on the reemployment lists take precedence over eligibles on any other list for the same class in the department for which the lists apply.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

SECTION 7. DISCIPLINE

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

The appointing authority may discharge, suspend, or demote any Supervisory level employee provided the Stockton Municipal Code provisions and the rules and regulations of the Civil Service Commission and any applicable provisions of law are followed. The Supervisory Level employee may take any one (1) of the following actions:

(a) File no grievance.

(b) File a grievance as provided for in Section 8.1 within ten (10) business days of written notification of the action.

(c) File an appeal within ten (10) business days of written notification of the action with the Civil Service Commission as appropriate for Supervisory Level employees.

If the employee fails to do (a) (b) or (c) above within the prescribed time frame, these rights will have been waived.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

SECTION 8. GRIEVANCE PROCEDURE

8.1 Definition

A grievance is any dispute which involves the interpretation or application of the Memorandum of Understanding or appropriate disciplinary action (Supervisory Level employees only) in lieu of a Civil Service Commission appeal.

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 in which the affected employee received written notification of such action. All other grievances must be filed within thirty (30) calendar days from the time the employee knew or had reason to know of the facts giving rise to the grievance.

8.3 Grievance Processing

(a) Step 1 - Departmental Review. Any employee claiming to have a grievance may discuss the complaint with such management official in the department where employed as the department head may designate. If the issue is not resolved within the department within ten (10) business days from the day of presentation or if the employee elects to submit the grievance directly to the Association recognized as the representative of that employee’s classification, the procedures hereinafter specified may be invoked.

(b) Step 2 - Director of Human Resources Review. If the employee is not satisfied with the response at Step 1, then the employee may appeal the grievance to the Director of Human Resources within ten (10) business days of the receipt of written response at Step 1. Such appeal must state with particularity: 1) the specific policy, rule or provision which is alleged to have been violated; 2) the statement of facts comprising the violation; and 3) the requested remedy. The Association may file and process grievance(s) on behalf of the specifically named employee.

The Director of Human Resources shall have twenty (20) business days in which to review the issues and respond to the appeal. No grievance may be processed under the following two (2) paragraphs, which has not first been filed and reviewed in accordance with this paragraph unless the
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU

Term: July 1, 2014 – June 30, 2016

Director of Human Resources fails to respond within the time limit.

(c) Step 3 - The parties may mutually agree to the use of this Step prior to proceeding to Step 4, Arbitration. Either party may with written notice within ten (10) business days of the decision of Step 2, request Step 3. Upon mutual agreement of Step 3, the City will request a representative from the State of California Mediation/Conciliation Service to review the grievance and make non-binding recommendations to assist the parties in resolving the grievance. The State Mediator will not provide any written documents and is limited to the restriction in Labor Code Section 65 and Attorney General opinions 51/183 and 68/77.

(d) Step 4 - Arbitration. If the grievant or the Association is dissatisfied with the response at Step 2 or Step 3, if used, or if the Director of Human Resources fails to respond within the time limit in Step 2, the grievance may be moved to Step 4 within twenty (20) business days. The grievance will be referred to an arbitrator mutually selected by the parties, or, if the parties are unable to mutually agree from a list of seven (7) arbitrators provided by the State of California Mediation/Conciliation Service, the arbitrator shall be chosen by the alternative strike method, with first choice being determined by lot. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by both parties. 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 hereto except as provided otherwise 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 Association and unless such dispute falls within the definition of a grievance as set forth in paragraph 8.1.

Proposals to add to or change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be arbitratable 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. No arbitrator selected pursuant to this section shall have the power to amend or modify this Memorandum of Understanding or written agreements or addenda supplementary hereto or to
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

establish any new terms or conditions of employment.

No change 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 Association.

8.5 Other Provisions

If the Director of Human Resources in pursuance of the procedures outlined above resolve a grievance which involves suspension or discharge, he/she 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 judgment for the judgment of Management and if he finds that the City had such right, he 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 department at Step 1. Only complaints which 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 thirty (30) days from the date upon which the complaint was filed.

The provisions of this Section shall not abridge any right to which an employee may be entitled under the Stockton Municipal Code and/or Civil Service Rules and Regulations, nor shall it be administered in a manner, which would abrogate any power, which may be within the sole province and discretion of the Civil Service Commission. Reference to Civil Service Commission is limited to Supervisory Level employees.

All grievances of employees in the representation unit represented by the Association shall be processed under this Section. If the Stockton Municipal Code and/or the Civil Service Rules and Regulations requires that differing options 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 of such option.

No action under paragraph (d) of subsection 8.3 above shall be taken if action on
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

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.
SECTION 9. LEAVES

9.1 Vacation - FLSA Exempt Employees

(a) Effective July 1, 2012, FLSA exempt employees shall accrue vacation leave with pay in accordance with the following schedule:

1. Less than 1-1/2 years continuous employment 120 hours/year
2. After 1-1/2 years up to 7 1/2 years 148 hours/year
3. After 7-1/2 years up to 15 years 188 hours/year
4. After 15 years up to 25 years 229 hours/year
5. Seven (7) additional hours for each completed year of service in excess of twenty-five (25) years.
6. Employees shall accrue vacation on a twice-monthly payroll basis.

(b) Maximum Vacation Accrual. Employees reaching the maximum hours shall stop accruing additional hours until they are below the caps listed here. No vacation hours may be added to sick leave balances without exception. Effective July 1, 2012, the following maximum vacation accruals shall take effect. Bargaining unit employees as of July 1, 2014, that had excess vacation hours rolled into sick leave banks on June 30, 2012, per the parties’ agreement, will now have these hours rolled out of sick leave. For the term of this contract, these leave hours will be considered “special leave” and will have no cash value. Employees have until June 30, 2016 to use special leave hours, otherwise, the hours are forfeited.

The maximum number of vacation hours that employees on a 40 hour workweek shall accrue are as follows:

<table>
<thead>
<tr>
<th>Under 1.5 years</th>
<th>200 hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.5 – 7.5 years</td>
<td>320 hours</td>
</tr>
<tr>
<td>7.5 – 15 years</td>
<td>360 hours</td>
</tr>
<tr>
<td>15 – 25 years</td>
<td>400 hours</td>
</tr>
<tr>
<td>25 years</td>
<td>408 hours</td>
</tr>
<tr>
<td>26 years</td>
<td>416 hours</td>
</tr>
<tr>
<td>27 years</td>
<td>424 hours</td>
</tr>
<tr>
<td>28 years plus</td>
<td>7 hours each additional year</td>
</tr>
</tbody>
</table>

9.2 Vacation - FLSA Non-Exempt Employees
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

(a) Vacation Allowance (40-hour workweek). Effective July 1, 2012, FLSA non-exempt employees on a forty-hour workweek shall receive a vacation allowance in accordance with the following schedule.

   (1) Less than 1-1/2 years continuous employment       80 hours/year
   (2) After 1-1/2 years up to 7 1/2 years             108 hours/year
   (3) After 7-1/2 years up to 15 years               144 hours/year
   (4) After 15 years up to 25 years                 189 hours/year
   (5) Seven (7) additional hours hence for each completed year of service in excess of twenty-five (25) years.
   (6) Employees shall accrue vacation on a twice-monthly payroll basis.

(b) Maximum Vacation Accrual. FLSA non-exempt employees on a 40-hour workweek reaching the maximum hours shall stop accruing additional hours until they are below the caps listed here. No vacation hours may be added to sick leave balances without exception. Effective July 1, 2012, the following maximum vacation accruals shall take effect. For employees who on July 1, 2012 have vacation balances that exceed their maximum shall have until June 30, 2013 to use sufficient vacation to get under the maximum allowed. If an employee does not get below the maximum by June 30, 2013, they shall retain their existing earned vacation, but shall not earn any additional vacation until they are under the maximum vacation accrual allowed.

The maximum number of vacation hours that employees on a 40 hour workweek shall accrue are as follows:

    Under 1.5 years     120 hours
    1.5 – 7.5 years     240 hours
    7.5 – 15 years      280 hours
    15 – 25 years      320 hours
    26 years          328 hours
    27 years          336 hours
    28 years          344 hours
    29 years          352 hours

For every year of service beyond 29, the employee is allowed to add an additional seven (7) hours to the maximum accrual cap.

(c) Vacation Allowance (56-hour workweek). FLSA non-exempt employees on a 56-hour workweek shall receive a vacation allowance, in accordance with the following schedule:
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU  
Term: July 1, 2014 – June 30, 2016

1. Less than 1-1/2 years continuous employment 120 hours/year
2. After 1-1/2 years up to 7 1/2 years 162 hours/year
3. After 7-1/2 years up to 15 years 216 hours/year
4. After 15 years up to 25 years 283.5 hours/year
5. Thereafter, 10.5 additional hours hence for each completed year of service in excess of twenty-five (25) years.
6. Employees shall accrue vacation on a twice-monthly payroll basis.

(d) Maximum Vacation Accrual. Employees on a 56-hour workweek reaching the maximum hours shall stop accruing additional hours until they are below the caps listed here. No vacation hours may be added to sick leave balances without exception. Effective July 1, 2012, the following maximum vacation accruals shall take effect. Employees, who on July 1, 2012 have vacation balances that exceed their maximum, shall have until June 30, 2013 to use sufficient vacation to get under the maximum allowed. If an employee does not get below the maximum by June 30, 2013, they shall retain their existing earned vacation, but shall not earn any additional vacation until they are under the maximum vacation accrual allowed.

The maximum number of vacation hours that employees on a 56 hour workweek shall accrue are as follows:

<table>
<thead>
<tr>
<th>Years</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 1.5</td>
<td>300</td>
</tr>
<tr>
<td>1.5 - 7.5</td>
<td>360</td>
</tr>
<tr>
<td>7.5 - 15</td>
<td>420</td>
</tr>
<tr>
<td>15 - 25</td>
<td>480</td>
</tr>
<tr>
<td>26</td>
<td>492</td>
</tr>
<tr>
<td>27</td>
<td>504</td>
</tr>
<tr>
<td>28</td>
<td>516</td>
</tr>
<tr>
<td>29</td>
<td>528</td>
</tr>
<tr>
<td>29 plus years</td>
<td>7 hours each additional year</td>
</tr>
</tbody>
</table>

9.3 Vacation Sell-back for All Employees in this Unit. An employee may elect to sell back a maximum of forty (40) hours of his/her unused accumulated vacation balance after the use of a scheduled vacation of forty (40) consecutive hours or more. When in effect, this option may be exercised once per calendar year. This option is suspended during furlough or fiscal emergency periods, during the term of this MOU and until a successor MOU is reached.
9.4 **Vacation Cash out Upon Separation**

An eligible employee separating from City service effective July 1, 2014 for any reason who has unused vacation time shall be paid for such vacation time up to the effective date of the last day of employment with the City. Payment for unused vacation shall be made at the final rate of pay. Payment for the unused vacation hours shall be paid post separation date at no later than the second regularly scheduled pay period pay date following separation. Prior to separation from City service, the City does not provide to employees any vacation cash out or sell back for accrued but unused vacation hours.

9.5 **Sick Leave**

(a) **Accrual.** All regular employees, except provisional, temporary and extra-help employees, each shall accrue sick leave at the rate of eight (8) hours for full month of service. All regular employee, except provisional, temporary and extra-help employees, working less than a full month shall 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 hours, which the employee would normally have worked, to a maximum of sick leave hours accrued.

An employee may use sick leave for preventive medical, dental, optical care, 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, childbirth and recovery therefrom.

(c) **Family Sick Leave.** In accordance with California Labor Code section 233 ("Kin Care"), employees may utilize up to on-half of the employee's annual sick leave accrual to care for an illness or injury in the case of illness or injury in the employee's immediate family when such illness or injury requires personal care except in instances where the employee is on approved FMLA or CFRA leave. Such sick leave shall be limited, by the department head, to the time reasonably required to make other arrangements for such care.

For the purpose of this Section, such sick leave shall be restricted to the employee's parents, spouse, mother-in-law, father-in-law, child, stepchild,
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

brother, sister, brother-in-law, sister-in-law, grandparent, grandchild, and registered domestic partner. The employee’s “child” includes a biological, foster, or adopted child, a stepchild, a legal ward, a child of the employee’s registered domestic partner, or a child to whom the employee stands in loco parentis.

(d) Procedures for Requesting and Approving Sick Leave. When the requirement for sick leave is known to the employee in advance of his/her absence, the employee shall request authorization for such sick leave from the department head prior to such absence. In all other instances, the employee shall notify his/her supervisor as promptly as possible of his/her absence.

Before an employee may be paid for the use of accrued sick leave, he/she shall complete and submit to his/her department head a signed statement, on a prescribed form, stating 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 department head.

(e) Doctor’s Certificate or Other Proof. If an employee’s illness results in an absence from work for more than three (3) consecutive days, then a doctor’s certificate or other reasonable proof of illness may be required by the department head. The City may monitor and control the appropriate use of sick leave by employees and if reasonable cause is articulated, can limit use of sick leave and require additional verification.

The department head 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.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

(g) Payment for Unused Sick Leave. Effective February 17, 2012, all accumulated or future accruals of sick leave shall have no cash value upon separation of employment and employees shall not be allowed to cash out unused sick leave except as provided below.

(h) CalPERS Service Credit for Unused Sick Leave.

Employees shall be eligible for CalPERS service credit for any unused sick leave at retirement not otherwise compensated for in (i) below. Employees hired after the City amends its CalPERS contract to eliminate service credit for unused sick leave shall not be eligible for this service credit.

(i) Sick Leave Retention Benefit

If, after subtracting the equivalent of one full year of service credit (2080 hours), which may be applied to CALPERS service credit, any balance remaining upon separation shall be paid as follows to employees who have remained in City service until the dates specified:

1. Separation prior to July 1, 2014, no payment of unused sick leave at separation shall occur for separating employees before this date;

2. Separation between July 1, 2014 and June 30, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 35% of its cash value to separating employees between these dates; and

3. Separation on or after July 1, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 50% of its cash value to separating employees after this date.

4. Service credit for unused sick leave shall be in accordance with PERS regulations.

9.6 Other Leaves With Pay

(a) Bereavement Leave. In the event of a death in the immediate family of an employee, he/she shall, upon request be granted up to three (3) days bereavement leave with pay without charge to his/her accumulated sick leave credits or vacation eligibility. For the purposes of this paragraph, the immediate family shall be restricted to the employee’s parents, current step parents, spouse, mother-in-law, father-in-law, child, stepchild,
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

brother, sister, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparent, grandchild, and registered domestic partner.

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 bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits.

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

Said absence from duty including necessary travel time, will be for actual hours served on jury duty or testifies as a witness in a criminal case, other than as a defendant. This shall include the time from when the employee is ordered to appear until the time the employee is released from the court. As a condition of receiving such pay, the employee must remit to the City, through the employee's department head, within fifteen (15) days after receipt, all fees received except those specifically allowed for mileage and expenses.

If an employee is not due to appear for jury duty or as a witness until an afternoon court session, the employee will be expected to work his usual morning schedule. If an employee is required to appear for a morning court session and is sent home before noon and not required to return in the afternoon, the employee will be expected to work his usual afternoon schedule.

Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City through the employee's department.

Notwithstanding the foregoing, attendance in court in connection with an employee's official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is not a party, together with travel time necessarily involved, shall not be considered absent from work within the meaning of this Section.

(c) Military Leave. An employee of the City who is a member of the National
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

Guard or Naval Militia or a member of 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 shall be allowed leave of absence without pay for the duration of a national emergency 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. Said employees shall be reinstated in the service, except as hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

All probationary employees inducted into the Military Service not having served the minimum probationary period of six (6) months, shall be allowed leave of absence without pay for the duration of a national emergency, but 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 the status of a regular employee.

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

9.7 **Workers' Compensation Leave**

(a) Workers' Compensation Benefits shall be provided in accordance with State law and schedules whenever an employee is absence from duty because of disability caused by illness or injury arising out of and in the course of employment which has been declared to be compensable under the Workers' Compensation Law. An employee on Workers' Compensation may use accrued leave, if needed, to supplement benefits, up to the amount required to receive a full paycheck.

(b) **Forms and Procedures.** Workers' compensation processing shall be consistent with City procedures and in accordance with state workers' compensation regulations. Any employee who sustains a work-related injury or illness shall immediately inform his/her supervisor no matter how minor an on-the-job injury may appear. An employee who sustains a work-related
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

injury or illness who is required to seek medical care shall use at facilities
designated by the City unless they have filed a pre-designation of personal
physician prior to sustaining the work-related injury or illness. For a list of City
designated medical care facilities and/or physicians, please contact Human
Resources.

9.8 Leave of Absence

Employees shall not be entitled to leave of absence as a matter of right, but only
in accordance with the provisions of law and the City of 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 department head
under this Section shall be subject to review by the Director of Human
Resources, 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 hereinafter.

The entitlement to City payment of premium 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 plan by prepayment of the monthly premium during the authorized
leave of absence.

Authorized absence without pay which 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 adjustment.

9.9 Leave of Absence Without Pay

(a) Purpose and Length. Only employees occupying regular positions on a
regular basis are eligible for leaves of absence without pay under the
provisions of this Section.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

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

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 approval of the Director of Human Resources. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, 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 Leave of Absence Without Pay. In order to receive leave without pay, an employee must submit a request on the prescribed form to his/her department head and the Director of Human Resources describing the reasons for the request and all other information required for the department head, or his/her representative, to evaluate the request. Leaves without pay may be cancelled by the department at any time.

9.10 Absence Without Official Leave (AWOL)

(a) Failure to Report to Duty 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 cancelled, or at the expiration of a leave, shall be considered an absence without official leave and shall be subject to discipline.

(b) Voluntary Resignation. Any employee in this bargaining unit absent without official leave for two (2) or more consecutive scheduled days or absent an aggregate of sixteen (16) hours in any calendar month without a satisfactory explanation as approved by the Human Resource Director shall be deemed to have voluntarily resigned from the City of Stockton, except if the absence is due to a verified illness or injury.

9.11 Paternal/Adoption/Maternity/Pregnancy Leave

Family medical leave shall be in accordance with the Family Medical Leave Act ("FMLA") of 1993, the California Family Rights Act ("CFRA"), or Pregnancy Disability Leave ("PDL") and/or other applicable state and federal laws. Consistent with City policy and State and Federal law, employees may be required to utilize accrued sick and/or vacation leave during unpaid leaves in
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU

Term: July 1, 2014 – June 30, 2016

certain circumstances.

SECTION 10. DAYS AND HOURS OF WORK

10.1 Workweek

(a) The workweek and hours of work are determined solely by the City. The normal workweek for employees in this unit shall consist of five (5) consecutive eight (8) hour days or a minimum total of forty (40) hours. Where needs of a department require deviations (as determined by the Department Head) from the present schedule, the Department Head may institute alternate work schedules.

(b) The department will (except in emergency situations) provide a ten (10) working day notice (prior to implementation) of any workweek and/or hours changes.

10.2 Meal Periods

Non-exempt Employees shall receive a one (1) hour or a thirty (30) minute meal period without pay each day and a fifteen (15) minute paid rest period during the first half of the work day and a second fifteen (15) minute paid rest period during the second half of the work day. Except for Police Telecommunications and Fire Telecommunications Supervisors, bargaining unit non-exempt employees shall be completely relieved of duty during unpaid meal periods. Non-exempt employees who exceed the time limits prescribed above for lunch and/or rest periods shall have their pay reduced accordingly.
SECTION 11. OVERTIME

11.1 Eligibility

(a) Mid-Management Level employees do not receive overtime. Mid-Management Level employees in this unit are salaried employees who work whatever time necessary to accomplish duties of their assigned position.

(b) Supervisory Level employees will receive overtime at the appropriate rate when authorized in writing by the Department Head prior to the overtime worked. The following provisions pertaining to authorized or statutorily required overtime work shall apply to non-FLSA exempt employees.

(1) Unless otherwise provided below, statutory overtime shall be paid on actual time worked in excess of forty (40) hours in any FLSA work period. Such overtime shall be paid for at time and one-half (1-1/2) including employees employed on a per hour or per day basis or except as provided elsewhere herein. Holiday hours taken and observed holidays where the City is closed shall be considered as time worked. Sick leave, vacation, or other compensated time off shall not be considered as actual time worked.

(2) Fire Telecommunications Supervisors assigned to a 56-hour workweek shall be compensated at the overtime rate for all time worked in excess of 56 hours in a seven (7) day workweek. Fire Telecommunicators Supervisors work 24 hour shifts, resulting in a regular schedule averaging 2912 hours per year / 56 hours per week (832 hours of overtime). In approximately 2000, the parties agreed to add the regularly scheduled FLSA overtime pay into the base, in order to ensure a regular and level payment of overtime over the course of a year. This methodology withstood a legal challenge in Hughes, et al. v. City of Stockton, et al. For additional overtime hours, the City shall pay overtime at one and one-half (1 1/2) time the employee’s regular rate of pay for all hours worked over fifty-six (56) in a workweek.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU

Term: July 1, 2014 – June 30, 2016

(c) Fire Telecommunication Supervisors who have volunteered to work overtime to cover an assignment in a classification other than their actual classification shall be paid overtime at the hourly rate of the lower classification in which they are performing those overtime duties. The hourly rate shall be at the top step of the lower classification's salary range. The employee's premium pay that they are regularly entitled to shall be included when computing the overtime for the work performed in the lower classification.

(d) Except as otherwise provided in section 12, employees who are not regularly scheduled to work holidays shall be paid for a regular day plus time and one-half (1-1/2) for actual time worked on a holiday observed by the City.

(e) Exempt Status of Classifications. The parties have agreed that effective upon the first full pay period after ratification of this contract the classifications listed in Appendix A will be reclassified from non-exempt to exempt from overtime as provided by the Fair Labor Standards Act and will be considered Exempt in the City's pay policies and for the accrual of vacation.

(f) Fire Telecommunication Supervisors who have traded shifts are not eligible to work overtime for hours that would have been their normal hours of work.

11.2 Compensatory Time Off (CTO)

(a) Definition. As used in this Section, the term Compensatory Time Off (CTO) refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. For the purpose of this Section, Compensatory Time shall apply only to Supervisory Level employees.

(b) CTO in Lieu of Overtime Compensation. Except Fire Telecommunications Supervisors assigned to a 56-hour workweek, employees may voluntarily elect to receive overtime compensation in the form of CTO at the rate one and one-half (1-1/2) hours of CTO for each hour of overtime worked in excess of fifty six (56) in a seven (7) day work period, for which the employee is eligible for overtime as defined in 11.1(b)(1) above.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

(c) **Use.** Use of CTO shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of City business. Approval of requests for use of CTO shall be at the sole discretion of the department head, but once approved, cannot be changed unless an emergency situation arises.

(d) **Maximum Accrual.** No more than one-hundred (100) hours of CTO may be carried on the books at any time, except Fire Telecommunications Supervisors assigned to a 56-hour workweek who may not accrue CTO. Once one hundred (100) hours of CTO is accrued on the books, all other hours worked in excess of forty (40) hours in a seven (7) day work period will automatically be paid to the employee. At the end of each calendar year, all CTO will be carried forward (forty (40) hours maximum), unless the employee elects to have the compensatory balance paid. Carryover CTO cannot exceed the forty (40) hours maximum.

Any CTO balance in excess of forty (40) hours remaining at the end of calendar year will automatically be paid to the employee.

(e) **Elimination of CTO for Fire Telecommunications Supervisors.** Effective January 1, 2009, Fire Telecommunications Supervisors assigned to a 56-hour workweek shall no longer accrue or use CTO and shall be paid at their regular rate of pay for all accrued and unused CTO hours on or about January 7, 2009; provided, however, any Fire Telecommunications Supervisors having any approved leave request(s) for CTO for time off work through January 31, 2009, shall be permitted to use the approved CTO leave.
SECTION 12. HOLIDAYS

12.1 Holidays Observed by the City: (Mid-Management/Supervisory Level)

(a) All regular employees, excluding provisional and temporary employees, shall be entitled to take all authorized holidays at full pay not to exceed eight (8) hours for any one (1) holiday.

<table>
<thead>
<tr>
<th>Observed</th>
<th>Holiday</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) January 1</td>
<td>New Year’s Day</td>
</tr>
<tr>
<td>(2) Third Monday in January</td>
<td>Martin Luther King Jr’s., Birthday</td>
</tr>
<tr>
<td>(3) Second Monday in February</td>
<td>Lincoln’s Birthday</td>
</tr>
<tr>
<td>(4) Third Monday in February</td>
<td>Washington’s Birthday</td>
</tr>
<tr>
<td>(5) March 31 (FLOATING)</td>
<td>Cesar Chavez Day</td>
</tr>
<tr>
<td>(6) Last Monday in May</td>
<td>Memorial Day</td>
</tr>
<tr>
<td>(7) July 4</td>
<td>Independence Day</td>
</tr>
<tr>
<td>(8) First Monday in September</td>
<td>Labor Day</td>
</tr>
<tr>
<td>(9) Second Monday in October</td>
<td>Columbus Day</td>
</tr>
<tr>
<td>(10) November 11</td>
<td>Veteran’s Day</td>
</tr>
<tr>
<td>(11) Fourth Thursday in November</td>
<td>Thanksgiving</td>
</tr>
<tr>
<td>(12) The Friday after Thanksgiving</td>
<td>Christmas Day</td>
</tr>
</tbody>
</table>

FLOATING holiday to be taken with ninety (90) work days on or after the observed holiday.

(b) Police Telecommunications Supervisors assigned to shifts (phase days) shall receive, in addition to their normal compensation, one day’s pay for each of the holidays listed in 12.1 (a) above, on which the employee does not work, except for floating holiday(s). Such employees required to work a holiday on a hire-back basis, shall be compensated at time and one-half (1½), in addition to their normal compensation (8 hours) and paid holiday (8 hours). Such employees required to work a holiday on a regularly scheduled basis shall be compensated at time and one-half (1½) overtime in addition to their normal compensation (8 hours). The maximum additional compensation subject to CalPERS for working the holiday will be twenty (20) hours.

(c) Fire Telecommunications Supervisors assigned to a 56-hour workweek shall receive, in addition to their normal compensation, 12 hours pay for
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

each of the holidays listed in 12.1 (a) above. Fire Telecommunications Supervisors shall be compensated at the overtime rate for all time actually worked in excess of 12 hours on a holiday (excluding the floating holiday). Commencing June 30, 2016, this practice will end and Fire Telecommunications Supervisors shall be compensated at straight time for the full shift worked on a holiday, unless otherwise eligible for overtime pursuant to Section 11.1(b)(2).

12.2
For employees on a Monday through Friday workweek, if holidays fall on a Sunday, the following Monday shall be observed. If holidays fall on Saturday, the preceding Friday shall be observed.

For employees on the 9/80 alternative work schedule, employee may shift their work schedule so that their 8 hour day falls on the designated holiday with the approval of their supervisor.

12.3
In order to receive Holiday Pay the employee must be in a paid status the day before and the day after the holiday.

12.4
An employee who takes a holiday off on a normally scheduled work day will receive 8 hours of holiday pay at their regular rate of pay, and the holiday hours count as time worked for FLSA overtime calculation purposes. A holiday that falls on an employee’s normally scheduled day off will receive 8 hours of holiday pay at their regular rate of pay, however the holiday hours will not be counted as time worked. If an employee works on a holiday, the employee will receive 8 hours of holiday pay at their regular rate of pay, actual hours worked will be paid at the time and one half (up to 8 hours) and holiday hours will not be counted as time worked. If an employee works only partial hours on a holiday, partial holiday hours will be counted as time worked for FLSA overtime calculation purposes (up to 8 hours combined maximum).
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

SECTION 13. COMPENSATION AND ALLOWANCES OTHER THAN BASE SALARY

13.1 Retirement Contribution Supplement

(a) For employees hired on or before June 30, 2011, the City will pay the Employer Paid Member Contribution of seven percent (7%) of the Mid-Management/Supervisory Level employees' current base salary and other compensation as qualified by State law towards the Public Employees' Retirement System (CalPERS). Such amounts will be applied to the employee's individual account in accordance with P.E.R.S. California Government Code Section 20691. Employees hired on or after July 1, 2011 will pay the seven percent (7%) employee contribution towards CalPERS.

Effective August 1, 2011, employees hired on or before June 30, 2011 will pay seven percent (7%) of the Employer's share towards the CalPERS benefit. This employees contribution will be made on a post-tax basis, unless the City obtains a ruling from the I.R.S. that these contributions can be made on a pre-tax basis. During the term of this MOU, the City and B&C shall implement a “flip” providing that employees will pay 7% of the employee's contribution towards the CalPERS benefit.

(b) PERS Benefits for Employees hired on or before December 28, 2012
The City's CalPERS retirement plan is modified to reflect two percent (2%) at age 55, effective January 1993. The City of Stockton has amended its contract with CalPERS in order to provide a second-tier CalPERS retirement plan with the 2% at 60 formula for all employees hired thereafter in all applicable classifications within the B & C unit, without inclusion of the additional benefits listed below in sections (c), (d), (e), and (f) effective December 28, 2012.

(c) For Employees hired on or before December 28, 2012, the City will provide military service credit pursuant to the provisions of P.E.R.S. California Government Code Section 21024 and Section 21027, at the employee's expense, upon adoption by Stockton City Council and CalPERS Administration Board.

(d) For Employees hired on or before December 28, 2012, the City will provide P.E.R.S. California Government Code Section 20692 (Employer
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

Paid Member Contributions Converted to Payrate During the Final Compensation Period) as added CalPERS benefits. At the beginning of employee's last year of employment, the employee will pay their employees' seven percent (7%) benefit cost through an automatic payroll deduction. The City will increase the base salary for those employees by the same seven percent (7%) for the last twelve (12) months of employment. Internal Revenue Service (IRS) Code 414H (2) will be concurrently implemented with P.E.R.S. California Government Code Section 20692, effective upon adoption by the Stockton City Council and CalPERS Administration Board.

(e) For Employees hired on or before December 28, 2012, the City will provide P.E.R.S. California Government Code Section 20965 (Credit for Unused Sick Leave) as added CalPERS benefits, to be effective upon adoption by the Stockton City Council and CalPERS Administration Board.

(f) For Employees hired on or before December 28, 2012, the City will provide P.E.R.S. California Government Code Section 21335 (up to five percent 5.0% Annual Cost of Living Allowance Increase) as added CalPERS benefits, to be effective upon adoption by the Stockton City Council and CalPERS Administration Board.

(g) PERS Benefits for Employees hired on or after December 29, 2012

Employees with Reciprocity:

Employees hired on or after December 29, 2012, who had service under another CalPERS agency or public retirement system with reciprocity prior to January 1, 2013, and a break in service of less than 6 months and are considered legacy employees by PERS AB 340, shall be subject to the PERS pension formula of 2% at 60 with no optional pension enhancements and the other provisions of the retirement tier they were hired under. Employees shall pay the employee's statutory employee's contribution for these benefits of 7%.

Employees without Reciprocity:

Employees hired on or after January 1, 2013, shall be subject to the AB340 PERS pension formula of 2% at 62 with no optional pension enhancements and the other provisions of the retirement tier they were hired under. Employees shall pay 50% of the City normal cost rate for the 2% at 62 as determined by CalPERS.
13.2 Uniform Allowance

(a) Effective July 1, 2013, employees in the following classifications who are required to wear uniforms shall be paid an annual uniform allowance of nine hundred dollars ($900.00), one-half payable in April and one-half payable in October.

(1) Fire Telecommunications Supervisor;
(2) Police Telecommunications Supervisor;
(3) Property Room Supervisor; and
(4) Supervising Police Records Assistant.

(b) Effective July 1, 2013, employees in the following classifications who are required to wear uniforms shall be paid an annual uniform allowance of nine hundred and fifty dollars ($950.00), one-half payable in April and one-half payable in October.

(1) Animal Services Supervisor; and
(2) Supervising Evidence Technician.

(c) Effective July 1, 2013, employees in the following classifications who are required to wear uniforms shall be paid an annual uniform allowance of nine hundred and seventy-five dollars ($975.00), one-half payable in April and one-half payable in October.

(1) Senior Community Service Officer.

(d) To account for the correct uniform allowance owed during FY 13/14, the City agrees to a one-time payment of fifty dollars ($50.00) to those classification listed in section 13.2 (a), (b), and (c) as soon as administratively possible.

(e) Safety Protective Footwear Reimbursement. Employees required to wear safety protective footwear in accordance with City Manager’s Administrative Directive HR-034, and approved for safety protective footwear reimbursement, the City will authorize safety protective footwear reimbursement in the amount of one hundred sixty dollars ($160.00) as needed and approved by the employee’s supervisor and department head. The list of classifications and or positions that are required to wear
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

protective footwear is included in the Administrative Procedure and may be amended from time to time to reflect changes in the classifications required to purchase footwear.

13.3 Public Employees’ Retirement System (P.E.R.S.)

The City shall contribute an amount required by the Public Employees’ Retirement System (P.E.R.S.) to retain the present Retirement Program.

13.4 Deferred Compensation

(a) The City will provide at no cost to the employee, deferred compensation as a supplement to voluntary deferred compensation plans, if any, for which the individual employee may be eligible.

13.5 Mileage Reimbursement for Private Vehicle Use

Mid-Management/Supervisory Level employees who use their own vehicle on City business on a consistent and repetitive basis will be compensated at the current Internal Revenue Service (IRS) rate and in accordance with the City Manager’s Administrative Directive, MAN-16, Section III. B.

13.6 Longevity Pay

(a) Effective August 1, 2011, longevity pay shall be eliminated. The City, however, shall grandfather employees who have completed twelve (12) continuous years of service with the City as of July 1, 2012, with one and one-half percent (1.5%) of the top salary step of the employee’s pay range to the employee as a professional growth.

13.7 Call Back Pay

(a) Supervisors only who are called back to work shall be compensated at least two (2) hours and forty-five (45) minutes pay at time and one half (1-1/2) times his/her hourly rate of pay or for all time actually worked at time and one half (1-1/2) times his/her hourly rate of pay, if eligible for overtime as defined in Section 13.9 below, whichever is greater.

(b) To be eligible for call back pay, both of the following conditions must be met: 1) the call back must occur outside of the employee’s regular work hours including overtime, 2) the call back time worked must not be contiguous to the employee’s regular work hours including overtime and 3) an employee is ineligible to receive a premium for both standby and call
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

back. For example, employee shall not receive standby pay for hours in which they are paid overtime or call back pay.

13.9 **Standby Duty Pay**

Supervisors only who are directed to remain on standby duty during their regular days off shall be paid $3.00 per hour while assigned to be on standby. Each employee so assigned to "standby" is required to carry a mobile phone or other agreed upon communication device while on standby. Employees on Standby shall respond to calls received as soon as they receive them but in no case longer than 30 minutes and shall be able to report to the work site within forty-five (45) minutes. Employees on Standby shall ensure that they available and able to return to work to perform their assigned duties. An employee shall earn time and one-half (1-1/2) for all actual time worked while on standby duty status only if eligible for overtime as defined in Section 15.4 above. An employee shall not continue to receive the “standby” premium during actual time worked, or for any hours paid as overtime or call back. Standby shall not be considered as time in “paid status because of work performed” for purposes of calculating overtime

Standby will be assigned based on departmental policy. The City agrees to develop department policies by January 1, 2015 and parties agree to meet by March 1, 2015 to discuss the policy adopted by each department.

13.10 **Bilingual Pay**

Job positions determined by the Department Head requiring bilingual translation skills shall receive a stipend amount of $140.00 per month for verbal translation skills, or $200.00 per month for verbal and written translation skills upon testing and certification by the Human Resources Department.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

SECTION 14. INSURANCE PLANS

14.0 Reopener Clause for Health Insurance

The Association agrees at the City’s request, to meet and confer on any changes that are within the mandatory scope of bargaining in any City proposals related to its City sponsored medical plans that may be related to the implementation of the Affordable Care Act (ACA).

14.1 Health and Welfare Benefits

(a) Choice of Health Plans. Employees in this bargaining unit shall have a choice of enrolling themselves and their eligible dependents in any of the City sponsored medical, dental and vision plans. Each plan shall offer an Employee only, Employee plus One and Employee plus two or more dependents coverage. The City shall offer two or more medical plans to regular employees.

(b) Eligibility. Employees shall become eligible for Medical insurance on the first day of the month subsequent to completion of thirty (30) days of continuous service with the City. Employees shall become eligible for Dental insurance on the first day of the month subsequent to completion of sixty (60) days continuous service with the City. An eligible employee and eligible dependent may be enrolled in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner of another eligible City employee, but not both. If an employee is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee plan (i.e., an employee and his or her dependent cannot be covered by more than one City-offered health plan).

(c) City Contribution towards the cost of insurance programs. Effective upon the first full pay period following ratification of this Memorandum of Understanding by the Union and approval by the City Council on its regular agenda in accordance with the Brown Act:

- The City shall contribute up to $532.00 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.

- The City shall contribute up to $969.00 per month toward the cost of the
MID-MANAGEMENT/SUPervisory Level (B&C) Successor MOu
Term: July 1, 2014 – June 30, 2016

monthly premium for employee plus one dependent medical/dental/vision plan coverage.

- The City shall contribute up to $1,287.00 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.

Effective July 1, 2015:

- The City shall contribute up to $543.00 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.

- The City shall contribute up to $998.00 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.

- The City shall contribute up to $1,313.00 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.

These contributions are based on full-time employment; regular part-time employees shall receive a prorated contribution based on their percentage of full-time employment. Insurance plan premiums that exceed the City’s monthly contribution shall be paid by the employee through payroll deductions. The City shall maintain its IRS 125 Plan to allow for employee contributions for medical/vision/dental to be pre-tax premium conversion.

(c) Plan Rules. Employees may insure themselves and their eligible dependents under the medical, vision and dental plans provided by the City, in accordance with the rules and regulations applicable to the selected Plan. Benefits in the Plan shall be in accordance with the Plan document.

(d) Provisional and temporary employees are not eligible for any of the above benefits.

(e) The City agreed to make Medicare contributions for employees hired in 1985 to 1986 who are not currently covered by Medicare, provided that such payments shall be on a going forward basis only, and such unit members shall be required to pay the employee matching contribution to Medicare. The City entered into a Section 218 Medicare-Only Agreement with the Social Security Administration for this purpose, with an effective date of August 1, 2014.
14.2 **Group Life Insurance Coverage**

Effective July 1, 2012, the City shall provide employees, at no cost to the employee, term life insurance policy with a value of $50,000. In addition, employees shall have the opportunity to purchase additional voluntary life through their union or through the City’s IRS 125 plan vendor.

14.3 **Long Term Disability Insurance Coverage**

Mid-Management/Supervisory Level employees will receive long term disability insurance coverage. Plan benefits shall be as describe in the Plan document, but shall include:

(a) Each disability - approximately 66 2/3% of salary up to the maximum salary replacement amount as specified in the City’s long term disability plan.

(b) A 90-day waiting period before eligibility for benefit. Employees may use sick leave and other leave balances to cover this waiting period, or leave without pay.

(c) Benefit payable until age sixty-five (65).

(c) The City shall continue its normal contribution for employee medical premiums during the ninety (90) days waiting-period.

14.4 **Retiree Enrollment in City Medical Plans**

An eligible retiree and eligible dependent may be enrolled at their own expense, in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner or another eligible City employee/retiree, but not both. If an employee/retiree is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee or retiree’s plan (i.e., a retiree and his or her dependent cannot be covered by more than one City-offered health plan). However, the City may discontinue the enrollment of retirees in City sponsored medical plans at its discretion as per the City’s Bankruptcy Plan of Adjustment. The City reserves the right to set benefit levels in medical plans for retirees and at it’s exclusive option only provide fully insured plan choices to retirees for enrollment. The City reserves the right to discontinue inclusion of retirees in City sponsored medical plans at any time.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

Effective June 30, 2013, the City shall no longer provide a contribution towards the cost of retiree medical insurance for current employees (future retirees) and current retirees.

Nothing in this section shall be construed to create vested rights to benefits for employees or retirees after the expiration of this MOU.

14.5 State Disability Insurance

At the Union's option, pursuant to procedures established by the state, members may elect to receive State Disability Insurance (SDI) coverage at their own expense. SDI will be coordinated with other benefits.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

SECTION 15. SALARY PLAN

15.1 Salary Adjustments

Employees will receive a base salary increase of 2% on July 1, 2015.

15.2 Salary Equivalents

Any monthly, daily or hourly rate of pay may be converted into any equivalent rate of pay or to any other time base when such a conversion is appropriate. In determining equivalent amounts on different time basis, the City shall provide tables or the 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.

15.3 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.

15.4 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 Director of Human Resources.

15.5 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 range of the higher rank which is at least five percent (5%) above the employee’s current base salary, except that the next step shall not exceed the maximum salary of the higher rank. Add pays are not included in the calculation of base salary for purposes of this section. When an employee is promoted into
another bargaining unit, the new bargaining unit's salary on promotion rules shall apply. 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 class to which demoted.

15.6 Salary On Reinstatement

If a former employee is reinstated in 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.

15.7 Acting Pay

An 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 after five (5) days, 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.

The increased rate of pay will commence with the first day of the assignment; however, to qualify the employee must meet the above conditions before being eligible for Acting Pay.

15.8 Pay Equity Adjustments

The City recognizes that there may be a need for special salary adjustments for selected classifications as a result of recruitment problems, reclassifications, and/or organizational changes. The City, in its sole discretion, may make such adjustments, but agrees to discuss with the Association.

15.9 Special Assignment Pay

The department head and with the concurrence of the Director of Human Resources may approve additional compensation in an amount not to exceed one additional salary step when an employee is assigned to perform additional duties and responsibilities for the duration of the special assignment.

15.10 Emergency Medical Services (EMS) Dispatcher Accreditation Pay

(a) The City and the Association acknowledge that California Health and Safety Code section 1797.220 directs the local emergency medical services (EMS) agency to establish policies and procedures to assure medical control of the emergency medical system.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

(b) The City and the Association acknowledge that as of July 1, 2008, the San Joaquin County EMS Agency requires all employees of agencies providing emergency medical dispatch (EMD) services to possess and maintain accreditation through San Joaquin County, to include compliance with EMS Agency and National Academies of Emergency Dispatch (NAED) policies, procedures, protocol, and standards. Fire Telecommunications Supervisors are among those employees represented by the Association who must acquire and maintain accreditation by the San Joaquin County EMS Agency as a condition of providing EMD services for the City.

(c) The City and the Association acknowledge that in the event the San Joaquin County EMS Agency rescinds the certification of any bargaining unit employee as a result of any dispute arising from the exercise of the power set forth in San Joaquin County EMS Agency Policy No. 2101 (or any successor or similar policy), the City will make every effort, insofar as practicable and fiscally responsible, to employ such persons in positions for which such employees are qualified or may become qualified within a reasonable period of time and that do not require accreditation by the San Joaquin County EMS Agency.

(d) **Emergency Medical Services (EMS) Dispatcher Accreditation Pay.** Effective January 1, 2009, the City shall compensate all Fire Telecommunications Supervisors who are accredited as San Joaquin County Emergency Medical Services Dispatchers an additional one-hundred seventy five dollars ($175) per month. If the employee fails to maintain the accreditation or if the accreditation is no longer required for the position, payment of the stipend shall cease.

(e) **Continuing Education for Emergency Medical Dispatchers.** The City shall provide to Fire Telecommunications Supervisors all necessary EMD continuing education during normal working hours and at no cost to the employee. However, employees who do not participate in the EMD training offered by the City during normal working hours shall be responsible to complete the necessary continuing education on their own time without additional compensation; provided, however, that all necessary ride-along hours shall be compensated as time worked.
SECTION 16. SEVERABILITY OF PROVISIONS

In the event that any provisions of this Memorandum of Understanding are declared by the 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. PAST 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.

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.

SECTION 19. DURATION OF AGREEMENT

All provisions of this Memorandum of Understanding shall be effective July 1, 2014 shall remain in full force and effect to and including the 30th day of June, 2016 and shall continue thereafter from year to year unless at least sixty (60) days prior to the expiration date of June 30, 2016, either party shall file written notice with the other of its desire to amend, modify, or terminate this Memorandum of Understanding.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

SECTION 20. MAINTENANCE OF OPERATIONS/CITY RIGHTS

(a) It is recognized that the need for continued and uninterrupted operation of City services is of paramount importance. Therefore, the Association and each employee represented thereby agrees that from 12:01 a.m. of June 30, 2012, through and inclusive of June 30, 2013 the Association or any person acting in its behalf, or each employee in a classification represented by the Association shall not cause, authorize, engage in, encourage, or sanction a work stoppage, slowdown, 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. The City may take other action, which 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 Association, the City may take such remedial action, as it deems appropriate.

(d) The Association recognizes the duty and obligation of its representatives and members to comply with the provisions toward inducing all employees in this unit to fully and faithfully perform their duties. In the event of any activity prohibited by subsection (a) hereinabove, the Association agrees to take supererogatory steps necessary to assure compliance with this Memorandum of Understanding.

(e) The rights of the City as set forth in Section 5 of Resolution No. 32,538, dated August 4, 1975, are incorporated herein by reference.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

SECTION 21. BANKRUPTCY

Mid-Management/Supervisory Level ("B&C" defined for the purposes of this section as including without limitation: B&C’s members, bargaining unit members, officials, attorneys and affiliates) agrees that this MOU shall supersede the terms of all prior MOUs, sideletters, and any other agreements between the parties as to the subjects covered herein. By voluntarily entering into this MOU, B&C agrees that this MOU shall supersede and modify the MOU between the parties dated January 1, 2009 through June 30, 2014, and all provisions of such MOU, including any increases or modifications that would have been due under the previous MOU, and that B&C voluntarily accepts the City’s unilaterally-adopted changes to compensation and benefits resulting from the February 2012 Emergency Declaration.

B&C further agrees that it will not oppose the City’s eligibility for chapter 9 relief. B&C agrees to support any plan of adjustment the provisions of which, as to B&C, are consistent with this MOU.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2014 – June 30, 2016

IN WITNESS WHEREOF this Memorandum of Understanding was ratified by a membership vote of the Association on December 2, 2014, and by an affirmative vote of the Stockton City Council on 11/27/14. The parties hereto have executed this Memorandum of Understanding this 19th day of February

MID-MANAGEMENT/SUPERVISORY LEVEL CITY OF STOCKTON UNIT

By: 
ROBERT APPLEGATE
President

Approved as to form:
Goyette & Associates, Inc.

By: 
KIM GILLINGHAM
Labor Representative for Association

APPROVED AS TO FORM:

By: 
KURT WILSON
City Manager

By: 
TERESIA ZADROGA-HAASE
Director of Human Resources

By: 
ALLYSON HAUCK
Negotiator for the City

Approved as to form:
John Luebberke, City Attorney

By: 
MARCI ARREDONDO
Deputy City Attorney

ATTEST:
CLERK OF THE CITY OF STOCKTON

By: 

CITY OF STOCKTON

51
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU  
Term: July 1, 2014 – June 30, 2016

APPENDIX A - LIST OF JOB CLASSIFICATIONS  
RECLASSIFIED AS FLSA EXEMPT

<table>
<thead>
<tr>
<th>Job Classification Title</th>
<th>Job Classification Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arborist</td>
<td>Senior Golf Course Supervisor</td>
</tr>
<tr>
<td>Architect</td>
<td>Senior Parks Supervisor</td>
</tr>
<tr>
<td>Assistant City Traffic Engineer</td>
<td>Senior Planner</td>
</tr>
<tr>
<td>Associate Civil Engineer</td>
<td>Supervising Accountant</td>
</tr>
<tr>
<td>Associate Engineer</td>
<td>Supervising Librarian</td>
</tr>
<tr>
<td>Associate Engineer/Mechanical</td>
<td>Supervising Plan Checker/Structural Engineer</td>
</tr>
<tr>
<td>Associate Engineer/Traffic</td>
<td>Supervising Real Property Agent</td>
</tr>
<tr>
<td>Associate Mechanical Engineer</td>
<td>Supervisory Control &amp; Data</td>
</tr>
<tr>
<td>Associate Traffic Engineer</td>
<td>Acquisition/Computerized Maintenance</td>
</tr>
<tr>
<td>Budget Analyst II</td>
<td>Management System Program Manager</td>
</tr>
<tr>
<td>Code Enforcement Field Manager</td>
<td>Technology Systems Supervisor</td>
</tr>
<tr>
<td>Computer Operations &amp; Maintenance Supervisor</td>
<td>Tree Maintenance Supervisor</td>
</tr>
<tr>
<td>Craft Maintenance Supervisor</td>
<td>Senior Economic Development Analyst</td>
</tr>
<tr>
<td>Deputy Building Official</td>
<td></td>
</tr>
<tr>
<td>Financial Services Supervisor</td>
<td></td>
</tr>
<tr>
<td>Fleet Manager</td>
<td></td>
</tr>
<tr>
<td>Geographic Information Systems Administrator</td>
<td></td>
</tr>
<tr>
<td>Geographic Information Systems Supervisor</td>
<td></td>
</tr>
<tr>
<td>Housing Program Supervisor</td>
<td></td>
</tr>
<tr>
<td>Library Division Manager</td>
<td></td>
</tr>
<tr>
<td>Micro-Computer Section Supervisor</td>
<td></td>
</tr>
<tr>
<td>Network Support Services Supervisor</td>
<td></td>
</tr>
<tr>
<td>Park Facility Planner</td>
<td></td>
</tr>
<tr>
<td>Plan Check Engineer</td>
<td></td>
</tr>
<tr>
<td>Program Manager I</td>
<td></td>
</tr>
<tr>
<td>Program Manager II</td>
<td></td>
</tr>
<tr>
<td>Quality Improvement Coordinator</td>
<td></td>
</tr>
<tr>
<td>Risk/Loss Control Officer</td>
<td></td>
</tr>
<tr>
<td>Senior Administrative Analyst</td>
<td></td>
</tr>
<tr>
<td>Senior Buyer</td>
<td></td>
</tr>
<tr>
<td>Senior Civil Engineer</td>
<td></td>
</tr>
</tbody>
</table>

CITY OF STOCKTON
**CONTRACT ROUTING FORM**

**CONTRACT TYPE**
- [ ] Original Contract
- [ ] Amendment/Renewal/Change Order
- [ ] Grant
- [ ] Subdivision Agreement
- [ ] Other: 07/01/2014 - 06/30/2016

**COUNCIL APPROVAL REQUIRED?**
- [ ] Yes
- [ ] No
  - If no, provide account 
  - Approved by Council on: 01/27/2015
  - Motion/Reso/Ord No: 14-1-00
  - Copy Attached

**Notary required?**
- [ ] Yes
- [ ] No

**Recordation required?**
- [ ] Yes
- [ ] No

**CONTRACT**
- Contract Type: 07/01/2014 - 6/30/2016 B&C UNIT MOU

**Vendor/Other Party:** MID-MANAGEMENT/SUPERVISORY LEVEL (B&C)

**Project start date:**

**Estimated Completion date:**

**Contract term:** TWO YEARS

**Contract start date:** 07/01/2014

**Contract end date:** 06/30/2016

**The following documents shall be submitted with the signed contract when required:**
- [ ] Business License Required? [ ] Yes
- [ ] No
- [ ] Business License No.
- [ ] Bonds Required? [ ] Yes
- [ ] No

**Routing Order**

**DEPARTMENT: HUMAN RESOURCES**

**DEPARTMENT HEAD APPROVAL**

**Theresa Zadroga-Haase**

**Project Mgr:** MARISA GUERRERO

**Staff:** ext. 7584

**Forwarded to:** Sherry AsaKaw

**Date:** 01.28.2014

**VENDOR/OTHER PARTY**

**Signed (<>) Originals on:**

**Forwarded to:**

**RISK SERVICES**

**Insurance approved on:**

**Bonds approved on:**

**Forwarded to:**

**CITY ATTORNEY**

**Approved as to Form and Content on:**

**Forwarded to:**

**CITY MANAGER**

**Signed by City Manager on:**

**Forwarded to:**

**CITY CLERK**

**City Clerk attested on:**

**Retained _original(s) for City's file.**

**ORIGINATING DEPARTMENT**

**Requisition No.**

**Original sent to vendor on:**

**Purchasing:**

**Purchase Order #**

**PUR #**

**RECEIVED**

**FEB 9 2015**

**CITY CLERK**

**City Manager's Office**

**2016-01-27-12-64**

**2015-FEB-26**
NEW BUSINESS

AGENDA ITEM 15.1
DISCUSSION

Background

The City has had substantial fiscal shortfalls over the past several years. In 2009, 2010 and 2011, bargaining units agreed to both permanent and temporary concessions for employees in their respective units to assist the City in balancing its budget. In early 2012, union representatives and City representatives participated in the AB506 mediation process in an attempt to reach agreement on new MOU’s for each unit. After the City filed for bankruptcy protection, negotiations with all bargaining units continued and new MOU’s for the SPMA, SCEA, B&C, and the OE3 units were agreed to and adopted by Council on July 24, 2012. These MOU’s superseded the Pendency Plan, and each included a term of one year from July 1, 2012 to June 30, 2013. Therefore, the MOU’s for these bargaining units are now close to expiring.

Present Situation

For the past five years, union representatives have been participating in concession bargaining with City representatives, and employees have received several compensation and benefit reductions as a result of those concessions, or as a result of previous fiscal crisis measures taken by the City. As the current MOU’s for these units are set to expire June 30, 2013, City representatives met separately with each unit’s representatives to discuss proposals on amending the current MOU’s. Independently, each bargaining unit agreed that in the interest of their members, and considering the current financial climate of the City, the terms and conditions of their current respective MOU would "rollover" for another year, with the exception of minor amendments to certain sections of the MOU.

Amendments to the respective bargaining unit MOU sections are summarized as follows:

1. Contract Term extended one year - July 1, 2013 through June 30, 2014, without any cost of living increase or other compensation improvement except as listed below.

2. Efficiency Measures - Employee organizations have agreed to a reopener clause to meet and confer upon City’s request on proposed efficiency measures, i.e., organizational, operational or staffing changes that are a result of necessary efficiency implementations.

3. Health Insurance - Employee organizations have agreed to a reopener clause to meet and confer upon City’s request regarding proposals related to City sponsored medical plans and implementation of the Affordable Care Act (ACA).

4. City Contribution Towards Health Insurance – the City has agreed to a small increase to the City’s capped health insurance premium contribution towards employee health insurance premiums. The monthly increase in the City’s contribution will be:

   - $41 per month for Employee Only;
   - $75 per month for Employee plus 1 Dependent; and
   - $97 per month for Employee plus 2 or more Dependents.
The total cost for these MOU terms is $3,004,000 of which $965,000 is a General Fund cost. The increase has been factored in to the 2013/2014 Proposed Budget.

Attachment A1 – SPMA Amendment
Attachment A1 – SPMA Amendment – Redlined
Attachment B1 – SCEA Amendment
Attachment B2 – SCEA Amendment – Redlined
Attachment C1 – B&C Amendment
Attachment C2 – B&C Amendment – Redlined
Attachment D1 – O&M Amendment
Attachment D2 – O&M Amendment – Redlined
Attachment E1 – Trades & Maintenance Amendment
Attachment E2 – Trades & Maintenance Amendment – Redlined
Attachment F1 – Water Supervisory Amendment
Attachment F2 – Water Supervisory Amendment – Redlined
AMENDMENT TO THE
MEMORANDUM OF UNDERSTANDING BETWEEN THE
CITY OF STOCKTON AND THE
MID-MANAGEMENT/SUPERVISORY LEVEL UNIT
Amendment to the July 1, 2012 - June 30, 2013 MOU

WHEREAS, The City of Stockton (the “City”) and the Mid-Management/Supervisory Level Unit are parties to a Memorandum of Understanding (“MOU”) covering the period of July 1, 2012 through June 30, 2013.

WHEREAS, all other terms and conditions of the MOU including the relative appendices will remain in effect, the parties hereto agree that the following sections of the MOU are hereby amended and shall read as follows:

1.0 Term
The parties have agreed that the term of this MOU shall be extended to June 30, 2014.

1.3 Reopener
The Association agrees to meet at the City’s request for the purpose of meeting and conferring on any changes that would be a mandatory subject of bargaining that may result from any City proposal on organizational, operational or staffing changes that are a result of efficiency measures during Fiscal Year 2013/2014.

9.3 Vacation Sell-back for All Employees in this Unit.
An employee may elect to sell back a maximum of forty (40) hours of his/her unused accumulated vacation balance after the use of a scheduled vacation of forty (40) consecutive hours or more. This option may be exercised once per calendar year, except this option is suspended during furlough or fiscal emergency periods and during the contract term of July 1, 2013 through June 30, 2014.

13.6 Longevity Pay
(a) Effective August 1, 2011, longevity pay shall be eliminated. The City, however, shall grandfather employees who have completed twelve (12) continuous years of service with the City as of July 1, 2012, with one and one-half percent (1.5%) of the top salary step of the employee’s pay range to the employee as a professional growth.
14.0 Reopener Clause for Health Insurance
The Association agrees at the City's request, to meet and confer on any changes that are within the mandatory scope of bargaining in any City proposals related to its City sponsored medical plans that may be related to the implementation of the Affordable Care Act (ACA) during Fiscal Year 2013/2014.

14.1 Health and Welfare Benefits

(c) City Contribution towards the cost of insurance programs. Effective July 1, 2013:

- The City shall contribute up to $522.00 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.

- The City shall contribute up to $950.00 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.

- The City shall contribute up to $1,262.00 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.

All other terms and conditions set forth in the MOU not specifically changed by this Amendment shall remain in full force and effect.
Amendment to the Memorandum of Understanding between the City of Stockton and the Mid-Management/Supervisory Level Unit
Page 3 of 3

IN WITNESS WHEREOF, this Amendment has been attested to by the City Clerk, the City Seal affixed hereto, and the document subscribed to by the City of Stockton Employee Relations Officer and the duly authorized Representatives for the Mid-Management/Supervisory Level Unit on the _______ day of _______ 2013.

MID-MANAGEMENT/SUPERVISORY LEVEL UNIT

By: [Signature]
Its: President

Approved as to form:
Goyette & Associates, Inc.
By: [Signature]
Its: Legal Counsel or Labor Representative

CITY OF STOCKTON, a Municipal Corporation

APPROVED AS TO FORM:

By: [Signature]
BOB DEIS
City Manager

By: [Signature]
TERESIA HAASE
Director of Human Resources
Employee Relations Officer

Approved as to form:
John Luebberke, City Attorney

By: [Signature]
MARCI ARREDONDO
Deputy City Attorney

The Director of Human Resources, in her capacity as the Employee Relations Officer, along with the negotiating team, met and conferred with officials of the Mid-Management/Supervisory Level Unit (B&C) and Stockton Police Management Association (SPMA) and reached tentative agreements for successor Memoranda of Understanding and reduced the agreements to writing. The employee units ratified their respective agreements by a majority vote of their members; and

The City of Stockton and B&C, SPMA have in good faith completed their meet and confer obligation regarding their respective successor Memoranda of Understanding. Relevant changes to salary and benefits will also be made to the Unrepresented Management/Confidential and Law Employees’ Compensation Plan; health insurance contribution changes effective July 1, 2016, will be made by approval of the MOU Amendments for SPOA, Fire Unit, and Fire Services Management; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The Memoranda of Understanding between the City of Stockton and B&C, SPMA, amendments to the Unrepresented Compensation Plan, MOU Amendments for SPOA, Fire Unit and Fire Services Management Unit attached hereto as Exhibits 1-6 and made part hereof by this reference, are hereby approved and adopted.

2. The City Manager is hereby authorized and directed to execute the Memoranda of Understandings, amended Unrepresented Compensation Plan to be effective July 1, 2016, and MOU Amendments to be effective upon Council approval.
3. The City Manager is hereby authorized and directed to include appropriate funds in the annual budget for Fiscal Year 2016-2017, as necessary to carry out the intent of the B&C, SPMA agreements, amended Unrepresented Compensation Plan, and MOU Amendments for SPOA, Fire Unit and Fire Services Management as shown in Exhibit 7.

4. The City Manager and the Employee Relations Officer are authorized to take whatever actions are appropriate and necessary to carry out the purpose and intent of this resolution.

PASSED, APPROVED and ADOPTED ________________ June 21, 2016

[Signature]

ANTHONY SILVA, Mayor
of the City of Stockton

ATTEST:

[Signature]

BONNIE PAIGE
City Clerk of the City of Stockton
APPROVE MEMORANDA OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON AND THE MID-MANAGEMENT/SUPERVISORY LEVEL UNIT, STOCKTON POLICE MANAGEMENT ASSOCIATION, MODIFICATIONS TO THE UNREPRESENTED MANAGEMENT/CONFIDENTIAL AND LAW EMPLOYEES’ COMPENSATION PLAN, AND AMENDMENTS TO THE MEMORANDA OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON AND THE STOCKTON POLICE OFFICERS’ ASSOCIATION, FIRE UNIT, FIRE SERVICES MANAGEMENT UNIT

RECOMMENDATION

It is recommended that the City Council adopt by resolution the attached successor Memoranda of Understanding (MOU) effective July 1, 2016 through June 30, 2019, amended Unrepresented Compensation Plan, and MOU Amendments with the following groups:

1. Mid-Management/Supervisory Level Unit (B&C);
2. Stockton Police Management Association (SPMA);
3. Unrepresented Management/Confidential and Law Employees’;
4. Stockton Police Officers’ Association (SPOA);
5. Fire Unit; and
6. Fire Services Management

It is further recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of the resolution, including implementation and funding of the successor MOU, Compensation Plan, and MOU Amendments.

Summary

In April 2016, representatives of the City began meeting with labor representatives to discuss successor MOU’s. All bargaining unit MOU’s are set to expire June 30, 2016, and the City and bargaining units desired to negotiate successor MOU’s effective after that expiration. The successor MOU’s presented herein, for B&C and SPMA include a contract term of three (3) years; contain an increase to the City’s health contribution effective July 1, 2016; a 6% cost of living increase adjustment (COLA) to base pay effective July 1, 2016, with no additional COLA’s in the following two years of the contract; vacation cashout option in years 2 and 3 of the contract; $250 per year increase to uniform allowance for SPMA members; and an agreement for SPMA members to pay an additional 3% contribution towards the City’s share of CalPERS contribution in exchange for a 2% increase to their existing P.O.S.T. Management Certificate add pay. Although COLA increases have been restructured to address market conditions, the overall compensation increases are consistent with the City’s Long-Range Financial Plan (L-RFP). Additional compensation adjustments have been negotiated to remedy current recruitment and retention difficulties. All compensation increases have been included in an updated L-RFP as described below, and long-term sustainability remains viable. The ability to address market pressures and maintain fiscal sustainability is due to City Council action.
to set aside funds for Employee Compensation on December 8, 2015, as well as adoption of a new Reserve and Available Fund Balance Policy on March 29, 2016. The City reached a tentative agreement with SPMA on June 6th, and B&C on June 7th, 2016. The City has received notification from both units that their memberships ratified their respective successor MOU’s.

Staff is recommending that the City Council authorize the City Manager to amend the Unrepresented Compensation Plan to provide the SPMA changes to the unrepresented Police Chief and Deputy Police Chiefs for equity purposes to provide similar benefits for all Police Safety personnel. While staff continues to negotiate with the SPOA, and to show that officer retention is a top priority, staff is also recommending that the City Council authorize the City Manager to implement the same health contribution changes effective July 1, 2016, that are before your approval tonight for B&C and SPMA; these health contribution rates are the same changes that were approved by Council on June 7, 2016, for the Stockton City Employees’ Association (SCEA), Trades and Maintenance Unit (T&M), Operations and Maintenance Unit (O&M), Water Supervisory Unit, and unrepresented employees. For equity purposes, staff recommends the health contribution changes also be made to the Fire units while negotiations continue. The successor MOU’s, updated modified Unrepresented Compensation Plan, and MOU Amendments are attached in red-line versions, as Attachments A - F respectively.

DISCUSSION

Background

The City has had substantial fiscal shortfalls over the past several years culminating in the bankruptcy filing in June of 2012. From 2008 through 2013, employee compensation was impacted through salary and benefit concessions, including base pay reductions due to work furlough. On June 26, 2012, the City Council adopted a final budget for FY 2012-13 under the Pendency Plan filed for the bankruptcy proceedings. It also adopted as part of its Pendency Plan changes in compensation and benefits. In July 2012, the City Council adopted successor MOU’s for bargaining units with a term of one year, July 1, 2012 through June 30, 2013. For FY 2013/2014, most bargaining units, including SPMA agreed to a “contract rollover” and amendment to extend their MOU for a one-year term through June 30, 2014, with minimal changes. Employees received no COLA in FY 2013-14 and FY 2014-15. Subsequently, Council approved successor MOU’s for B&C and SPMA effective July 1, 2014 through June 30, 2016. The expiring MOU’s included a 2% COLA that became effective for members in FY 2015-16, and a small increase to the City’s health insurance premium contribution.

Because employee compensation had been reduced or stagnant for several years prior to FY 2015-16, the City’s labor market competitiveness was affected negatively. The lack of competitiveness manifested in recruitment difficulty, increased turnover and retention problems. In June 2015, the City hired a compensation consultant who surveyed City positions and other comparable agencies with regards to base salary and total compensation. Numerous positions City-wide and across all bargaining units were identified as being significantly under market (i.e., more than 6% under market) with regards to base salary. The compensation study also identified that the City was significantly under market with regards to the employer paid health insurance premium contribution. City Council took action on April 12, 2016, to improve and increase the options for health care available to employees. The proposed changes for B&C and SPMA include increases to salary and the City’s contribution for health care and other compensation items to maintain market competitiveness.
These changes are consistent with the MOU's approved by City Council on June 7, 2016 for SCEA, T&M, O&M, Water Supervisory Unit and the amended Unrepresented Compensation Plan.

While staff continues negotiations with SPOA, Fire Unit and Fire Services Management unit, the same contributions towards health care are recommended for these units effective July 1, 2016. Staff have had several productive meetings with these units and in an effort to show SPOA that officer retention is a top City Council priority, staff recommend that the health increases be provided to POA. We recommend providing these increases to the fire units as well for equity purposes.

The City Council identified retention and recruitment of employees as a high priority and took action to set aside funds to address market conditions through the adoption of the General Fund Reserve policy on March 29, 2016 and approval of one-time funding for Employee Compensation on December 8, 2015, Resolution No. 2015-12-08-1502.

Present Situation

The relevant amendments under the successor MOU's, amended Unrepresented Compensation Plan, and MOU Amendments are summarized as follows:

B&C and SPMA:

1. MOU contract term for three (3) years - July 1, 2016 through June 30, 2019;

2. 6% base pay increase (COLA) effective July 1, 2016, consistent with the City's L-RFP (B&C MOU Section 15.1; SPMA MOU Section 15.1);

3. Vacation Cash Payment Option- This proposal would allow vacation cash payment option/sell-back during the last two fiscal years of the contract term. The vacation cash payment option was available prior to February, 2012. This option will allow employees to cash out up to 40 hours of vacation each year in FY 2017-18 and FY 2018-19, (B&C MOU Section 9.3; SPMA MOU Section 9.1 (d));

4. Overtime - Sick leave, jury duty, and bereavement leave will count as time worked for Fair Labor Standards Act (FLSA) overtime calculation purposes (B&C MOU Section 11.1(b); SPMA MOU Section 11.1(e));

5. Health Insurance - Agreement to a reopener clause to meet and confer upon City's request regarding proposals related to City sponsored medical plans and implementation of the Affordable Care Act (ACA) (B&C MOU Section 14.0; SPMA MOU Section 14.0);

6. Bi-Weekly Pay Period - Agreement that the City may move to bi-weekly pay as soon as administratively possible (B&C MOU Section 15.13; SPMA MOU Section 15.10);

7. Elimination of obsolete language and other language cleanup changes;

B&C, SPMA, SPOA, Fire Unit, Fire Services Management Unit:

8. City contribution towards health insurance - the City's capped health insurance premium
contribution would be reset at 90% of the lowest cost Kaiser Plan premiums, effective July 1, 2016; effective FY 2016-17 the City’s contribution amount would increase approximately 14% consistent with Council’s one-time funding approval (B&C MOU Section 14.1 (c); SPMA MOU Section 14.1(c); SPOA MOU Section 14.1(c); Fire Unit MOU Section 14.1(c); Fire Services Management MOU Section 14.1(c)). The monthly increase in the City’s contribution will be:

- $76 per month for Employee Only;
- $136 per month for Employee plus 1 Dependent; and
- $183 per month for Employee plus 2 or more Dependents.

B&C and SPMA:

9. City contribution towards health insurance in FY 2017-18 and FY 2018-19 - the dollar value of the City’s health insurance premium contribution will increase by 2% each year respectively, consistent with the City's L-RFP (B&C MOU Section 14.1 (c); SPMA MOU Section 14.1(c));

B&C:

10. Market base salary adjustments implemented over 3 years effective July 1, 2016 (B&C MOU Appendix B);

11. Increase in annual uniform allowance from $900 per year to $950 per year for Property Room Supervisor (B&C MOU Section13.2 (b));

SPMA, Unrepresented Police Chief and Deputy Police Chiefs:

12. Increase in annual uniform allowance from $950 per year to $1,200 per year (SPMA MOU Section 13.2; Unrep Comp Plan Section 13.9);

13. Holiday Compensation - Captains, and unrepresented Police Chief and Deputy Police Chiefs will no longer observe holidays, and may be scheduled to work on holidays; in exchange for eliminating observed holidays, they will receive a 5% holiday in lieu add pay. In return members will use the appropriate number of personal leave hours to cover any holidays when the Police Department Administrative Office is closed (SPMA MOU Section 12.2; Unrep Comp Plan Section 5.4); and

14. PERS contribution pick-up - Members will pay an additional 3% towards the City’s PERS contribution, for a total of 12% (SPMA MOU Section 13.1; Unrep Comp Plan 1.5), In exchange for an additional 2% towards P.O.S.T. Management Certificate add pay (SPMA MOU Section 13.6; Unrep Comp Plan Section 13.10 (b)).

FINANCIAL SUMMARY

COLA
The total cost for the 6% COLA beginning July 1, 2016 for B&C and SPMA is $1,318,000 of which $618,000 is a General Fund cost. The table below shows the COLA increase for the 3 years. Funding for an annual 2% COLA was planned in the L-RFP. The additional cost in the first and second years of front-loading a 6% COLA is offset by costs in year three and beyond due to the elimination of the
annual compounding of COLA and there is not a negative effect on the L-RFP. The additional cost to front load the COLA in the first year will be funded using one-time savings from prior years.

<table>
<thead>
<tr>
<th>Bargaining Unit</th>
<th>FY 2016-17</th>
<th>FY 2017-18</th>
<th>FY 2018-19</th>
<th>3 year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>B&amp;C</td>
<td>983,509</td>
<td>983,509</td>
<td>983,509</td>
<td>2,950,527</td>
</tr>
<tr>
<td>SPMA</td>
<td>334,832</td>
<td>334,832</td>
<td>334,832</td>
<td>1,004,496</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,318,341</td>
<td>1,318,341</td>
<td>1,318,341</td>
<td>3,955,023</td>
</tr>
</tbody>
</table>

PERS Contribution Pick-Up and P.O.S.T. Management Certificate add pay increase
The cost savings to the City for SPMA members and Unrepresented Police Chief, Deputy Police Chiefs to pick up an additional 3% towards the City’s PERS contribution for the three year term will be $392,000, and in exchange the members will receive a 2% increase to P.O.S.T. Management Certificate add pay for a total three year cost of $252,000.

Market Adjustment
The total cost for the base salary market adjustments for B&C beginning July 1, 2016 through June 30, 2019 is $164,198. The FY 2016-17 annual cost will be $82,000 of which $46,000 is General Fund. The table below provides a 3 year impact of the market adjustments for B&C. These market adjustments were not part of the L-RFP.

<table>
<thead>
<tr>
<th>Bargaining Unit</th>
<th>Number of Positions</th>
<th>FY 2016-17</th>
<th>FY 2017-18</th>
<th>FY 2018-19</th>
<th>3 year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>B&amp;C</td>
<td>33</td>
<td>59,560</td>
<td>59,560</td>
<td>23,030</td>
<td>164,198</td>
</tr>
<tr>
<td>TOTAL</td>
<td>93</td>
<td>81,607</td>
<td>81,607</td>
<td>23,030</td>
<td>164,198</td>
</tr>
</tbody>
</table>

Holiday Compensation
Eliminating observed holidays for Captains and Unrepresented Police Chief, Deputy Police Chiefs in exchange for a 5% holiday in lieu add pay is an annual cost of $113,000 all of which is a General Fund cost. However, as these personnel request to take certain holidays off and are required to use personal accrued hours such as vacation, the City will benefit from reducing vacation cashout liability; for the three years, this vacation liability reduction is a cost savings of approximately $23,000.

Health Insurance Contribution
The cost for the health contribution increase beginning July 1, 2016 for B&C, SPMA, SPOA, Fire Unit and Fire Services Management is $1,416,000 of which $1,137,000, is a General Fund cost. For B&C and SPMA, the health contribution cost increase for FY 2017-18 is $48,000, and FY 2018-19 is $49,000, which is a 2% increase from the FY 2016-17 cost, as planned in the L-RFP. The available fund balance in the City’s Health Internal Service Fund will be used to fund the increased health contribution for the first two years. After these one-time funds have been exhausted, the ongoing cost will be absorbed in the operating funds including the General Fund.
Vacation Sell-Back / Cash-out
The City previously allowed the option to sell-back vacation time, or take cash in lieu of time off, prior to February 2012. Discontinuing the sell-back option was necessary to preserve cash during the fiscal crisis. The annual average cost of restoring this benefit for B&C and SPMA is approximately $349,000 of which $173,000 is a General Fund cost. These one-time costs will also be funded from prior year savings and will be made part of the FY 2017-18 and FY 2018-19 annual budgets. However, there could be an offsetting increase in productivity if staff take cash in lieu of time off as the hours worked could increase.

Fair Labor Standards Act (FLSA) Overtime Changes
Counting sick leave, bereavement leave and jury duty leave hours as time worked for FLSA overtime calculation purposes for the three year contract period for B&C and SPMA will be a total cost of approximately $31,000 of which $10,000 is a General Fund cost.

Uniform Allowance Adjustments
The cost for increasing the uniform allowance for B&C, SPMA and the unrepresented police safety positions (Police Chief, Deputy Police Chief) is $10,400 all of which is a General Fund cost.

Prior year savings has enabled the City to direct more funds than previously anticipated toward employee compensation in the near term, and will accelerate the City’s effort to provide compensation consistent with median market levels. This should improve recruitment and retention efforts, and ultimately reduce costs associated with staff turnover. Most of these compensation changes are ongoing costs to the City and have to be sustainable in the long-term. With the approval of these MOU terms, the General Fund available balance will be diminished. If labor negotiations for the remaining bargaining units result in similar compensation adjustments, the General Fund available balance is projected to drop close to the 5% minimum reserve level in FY 2026-27 as shown in the L-RFP chart below. However, Council adopted a new Reserve and Available Fund Balance Policy in March, 2016 and it is estimated that an additional $15 million would be set aside in reserves for economic uncertainties and unforeseen events. Approval of these MOUs establishes a fiscal commitment to fill vacancies and meet existing expectations for service. The City’s ability to direct funds toward other priorities and expand City services will continue to be constrained.
The above MOU terms were not included in the FY 2016-17 Proposed Budget as released on May 16, 2016 because confidential labor negotiations were still underway. The recommended action includes amending the FY 2016-17 Annual Budget to incorporate the cost of these labor changes into the budget in the amounts shown below and in Exhibit 7:

- Transfer from GF (010-0000) to Library Fund (041-0000) $15,000
- Transfer from GF (010-0000) to Recreation Fund (044-0000) $40,000
- Increase various Salary & Benefit accounts $1,533,853

(Detail by fund provided in Exhibit 7 to the resolution)

Attachment A - B&C MOU - redlined
Attachment B - SPMA MOU - redlined
Attachment C - Unrepresented Compensation Plan - redlined
Attachment D - SPOA MOU Amendment - redlined
Attachment E - Fire Unit MOU Amendment - redlined
Attachment F - Fire Services Management MOU Amendment - redlined
CONTRACT ROUTING FORM

Contract Number: 2016-06-21-1212-NP
(For Clerk's Use)

RECEIVED JUN 28 2016
City of St. Cloud
City Manager's Office

CONTRACT TYPE (select one)
- [ ] Original
- [ ] Amendment/Renewal/Change Order
- [ ] Grant
- [ ] Subdivision Agreement
- [ ] Other

CONTRACT INFORMATION
- Contract Amount: $
- Contract Title: Mid-Management / Supervisory Level MOU (B&C)
- Vendor/Other Party: Mid-Management / Supervisory Level Unit
- Contract Start Date: 7/1/2016
- Contract End Date: 6/30/2019
- Contract Term: 3 Years

COUNCIL APPROVAL REQUIRED?
- [ ] Yes
- [ ] No (provide account # if no)

Council approval required for contracts over $75,000 for FISCAL YEAR: 2016/17 - 2016/19

Motion/Resolution/Ordinance No: 2016-06-21-1212
Must be Attached

REQUIRED DOCUMENTS
- Business License Required? [ ] Yes [ ] No
- Business License No.
- Bonds Required? [ ] Yes [ ] No
- Insurance Required? [ ] Yes [ ] No
- Notary Required? [ ] Yes [ ] No
- Recordation Required? [ ] Yes [ ] No

Routing Order

1 DEPARTMENT: Human Resources

DEPARTMENT HEAD APPROVAL

Project Mgr: Jennifer Williams ext: x8939
Forwarded to: Marci Arredondo

VENDOR/OTHER PARTY

Signed ( ) originals on: __________________________ on: __________________________ by:
Forwarded to: __________________________ on: __________________________ by:

RISK SERVICES

Insurance approved on: __________________________ by: __________________________ Bonds approved on: __________________________ by:
Forwarded to: __________________________ on: __________________________ by: __________________________ RM #:

2 CITY ATTORNEY

Approved as to Form and Content on: 6/23/14 by: Mary Ann
Forwarded to: __________________________ on: 6/23/14 by: EGlennand

3 CITY MANAGER

Signed by City Manager on: 6/27/16
Forwarded to: Clerk on: 6/29/16 by:

4 CITY CLERK

City Clerk attested on: 6/28/16 Returned (2) original(s) to dept. on: 6/28/16 by
Retained (1) original(s) for City's file. Hard Copy on file? Yes [ ] No [ ]

5 ORIGINATING DEPARTMENT: Human Resources

Requisition No. __________________________ Original sent to vendor on: __________________________ by:
Copy of contract to be retained by department. Original on file in the Clerk's office.
Copy of contract sent to Purchasing on: __________________________ by:

PURCHASING: Purchase Order No. __________________________ PUR No. __________________________

[Handwritten annotations]

- "2016-06-21-1212-NP"
- "JUN 28 2016"
- "Jennifer Williams"
- "Marci Arredondo"
- "CM"
- "6/23/14"
- "6/23/14"
- "6/29/16"
- "6/28/16"
- "6/28/16"
The Stockton Mid-Management/Supervisory Level bargaining unit and representatives of the City of Stockton have met and conferred in good faith regarding wages, hours and other terms and conditions of employment of employees employed in the representation unit identified in Section 1, 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 for salary and employee benefit adjustments for the period commencing July 1, 2016, and ending June 30, 2019.
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, hereinafter 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 Association Recognition

The City of Stockton Management B & C Employees Group, hereinafter referred to as "Association", is the recognized employee organization for the Mid-Management/Supervisory Level Bargaining Unit certified pursuant to Resolution No. 91-0014, adopted by the City Council on January 2, 1991.

1.3 Reopener

The Association agrees to meet at the City's request for the purpose of meeting and conferring on any changes that would be a mandatory subject of bargaining that may result from any City proposal on organizational, operational or staffing changes that are a result of efficiency measures during the term of this contract.
SECTION 2. ASSOCIATION SECURITY

2.1 Dues Deduction

(a) **General.** The Association may have the regular dues of its members within the representation unit deducted from employees’ paychecks under the procedures prescribed by the City for such deductions. The Association has exclusive privilege of dues deduction for its members.

Payroll deduction shall be for a specified amount and consistent for all employee members of the Association and shall not include fines, fees, and/or assessments.

(b) **Authorization Required.** Authorization, cancellation or modification of the payroll deduction shall be made upon forms provided or approved by the City. The payroll deduction authorized shall remain in effect until cancelled or modified by the employee by written notice to the City or until the first day of the calendar month following the transfer of the employee to a unit represented by another employee organization as the representative of the unit to which the employee is assigned, or until employment with the City is terminated.

(c) **Authorization Not Required to Dues Increases.** Additional authorization shall not be required for deduction of increased membership dues when such increase has been duly approved by the membership of the Association. Notification of such approval shall be forwarded to the City in the form of written notice of official Association letterhead and signed by the Association President or other duly authorized Association official. Upon receipt of notification, the City shall authorize the payroll deduction of the increased amount.

(d) **Transmittal of Association Dues.** Amounts deducted and withheld by the City shall be transmitted to the officer designated in writing by the Association as the person authorized to receive such funds, at the address specified.

(e) **Other Deductions.** In addition to the deduction of dues, the City will deduct from the paychecks of Association members who request it, premiums for group insurance and investment plans sponsored by the Association. Such deduction shall occur only upon signed authorization from the employee upon a form satisfactory to the City. Such authorization may be made or changed no more frequently than yearly.
(f) **Effect of Non-Pay Status on Dues Check-Off.** 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 withholding will be made to cover that pay period from future earnings 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 the period. In the case of an employee who is in a non-pay status during a part of the pay period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other required deductions have priority over the employee organization deduction.

(g) **Indemnity and Refund.** The Association shall indemnify, defend and hold the City harmless against any claim made and against any suit initiated against the City on the account of check-off of Association dues or premiums for benefits. In addition, the Association shall refund to the City any amounts paid to it in error upon presentation of a written document demonstrating the error.

### 2.2 Use of City Facilities

The Association 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 Association business, such as times and places of meetings, provided such use does not interfere with the needs of the department.

Any representative of the Association shall give notice to the department head or his designated representative when contacting department employees on City facilities during the duty period of the employees, provided that solicitation for membership or other internal Association business shall be conducted during the non-duty hours of all employees concerned. Prearrangement for routine contact may be made with the individual department heads and when made shall continue until revoked by the department heads.

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

Members of the Association are prohibited from using City equipment and/or time for their own personal use.
2.3 **Advanced Notification**

Except in cases of emergency, reasonable advance written notice shall be given to the Association if related to matters within the scope of representation proposed to be adopted by the City and shall be given the opportunity to negotiate, if requested, with the designated management representatives prior to adoption.

In cases of emergency when the foregoing procedure is not practical or in the best public interest, the City may adopt or put into practice immediately such measures as are required. At the earliest practical date thereafter, the Association 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 Association shall be given reasonable time off with pay to attend meetings with City Management representatives, 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 with the performance of City services as determined by the City. Time spent for these purposes while a representative is not scheduled to work shall not be compensated by the City and shall not be considered as hours worked. 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) employees.

2.5 **Maintenance of Membership**

(a) Association membership is not a mandatory condition of employment for any employee covered by this Agreement. However, any employee covered by this Agreement, who is an Association member on or after the date of this Agreement is ratified by the Association membership, shall continue to pay to the Association those dues or fees regularly charged members of the Association in good standing for the life of this Agreement.

(b) Every employee who is a member of the Association shall have the right to withdraw from membership no sooner than 120 days or no later than 60
days of the expiration date of this Agreement, as contained in Section 19 Duration of Agreement. An employee who has properly withdrawn membership as provided herein shall not be subject to the provisions of this Section.

(c) Upon return from leaves of absence, the City shall reinstate the payroll deduction of Association dues for those employees who are on dues check-off immediately prior to taking leave, provided that the employee has not authorized cancellation of dues check-off in accordance with the prescribed provision or the Agreement under which they were a member has not expired.

(d) Enforcement of this Section shall be the responsibility of the Association, utilizing appropriate civil procedures.
SECTION 3. COMPLIANCE WITH FEDERAL LAWS

3.1 Non-Discrimination

(a) Non-Discrimination. The City and the Union agree that there shall be no discrimination of any kind because of age (over 40), race, creed, color, religion, national origin, ancestry), veterans status, physical or mental disability, marital status, sexual orientation, sex (sexual, gender based, pregnancy/childbirth), political affiliation or legitimate union activity or on any other basis prohibited by applicable federal and State law against any employee or applicant for employment.

(b) The Association shall cooperate with the City, to the extent required by federal and State laws and regulations, in furthering the objective of Equal Employment Opportunities, as defined by Federal and State regulations.
SECTION 4. PROBATION

4.1 Supervisory Level

All original appointments shall be tentative and subject to a probationary period of one (1) year. Promotional appointments shall be subject to a probationary period of six (6) months. The probationary period shall not be extended.

4.2 Mid-Management Level

All Mid-Management Level positions do not have Civil Service status. Employment and separation of employment will be consistent with State Law.

4.3 Retention/Rejection of Probationer

During the probationary period a Supervisory level employee may be rejected at any time by the appointing authority. Any employee who held a position in the classified service and subsequently appointed to a position in the unclassified service and subsequently removed from such position that employee shall have the right to be employed in a position comparable to his/her formerly held position in the classified service from which he/she was promoted unless charges are filed and he/she is discharged in the manner provided in section 7 of this Memorandum of Understanding, the Civil Service Rules and Regulations, the Stockton Municipal Code, and/or any other applicable City policy.
SECTION 5. LAYOFF

5.1 Layoff

Any employee may be laid off by an appointing authority in the event of the abolition of the employee’s position by the City Council, or if a shortage of work or funds requires a reduction in personnel. In doing so, the City shall follow the layoff procedure set forth herein below.

5.2 Layoff Scope

(a) The City shall designate the number of layoffs in each bargaining unit classification for each department of the City.

(b) Departments of the City are defined as follows:

(1) Administrative Services  
(2) Attorney  
(3) City Auditor  
(4) City Clerk  
(5) City Manager  
(6) Community Development  
(7) Community Services  
(8) Economic Development  
(9) Fire  
(10) Human Resources  
(11) Information Technology  
(12) Municipal Utilities  
(13) Police  
(14) Public Works

5.3 Notice of Layoff

The City will give advance written notice of at least two (2) weeks to employees who will be laid off.

5.4 Precedence by Employment Status

No bargaining unit employee having regular status shall be laid off while employees working in seasonal, temporary, provisional, or probationary status are retained in the same or comparable classification as such regular employee.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

The order of layoff among bargaining unit employees not having not regular status shall be as follows:

(a) First, seasonal employees;

(b) Second, provisional employees;

(c) Third, temporary employees; and

(d) Fourth, probationary employees.

Layoffs shall be by job classification according to reverse order of seniority as determined by total service in the City, except as specified above. For the purpose of this procedure, regular part-time classes shall be considered as separate from regular full-time classes.

The following provisions shall apply in computing total continuing service:

(a) Time spent on military leave shall count as service in the event the leave was taken subsequent to entry into regular City employment.

(b) Time worked in seasonal, provisional, temporary, grant or other limited term status shall not count as service.

(c) Time worked in a regular status or probationary status shall count as service.

(d) If two (2) or more employees have the same seniority, the order of seniority shall be determined by their respective ranking on the eligibility list for hire.

If two (2) or more employees have the same seniority, but were not hired from a ranked eligibility list, the order of seniority shall be determined by lot.

If two (2) or more employees have the same seniority, but were hired from separate ranked eligibility lists, the order of seniority shall be determined by lot.

(e) Regular status part-time employees shall not have the right to bump regular status full-time employees.
5.5 Order of Layoff and Employee Options

Reduction in force shall occur in the following order:

(a) The least senior employee occupying the position(s) being eliminated shall be the first laid off. The incumbent designated for layoff shall have the options noted below:

(1) Displacing the least senior employee occupying the same or comparable classification, Citywide.

(2) Taking a voluntary demotion within the City to a classification in which the employee had prior regular status, thus displacing the employee working in that classification who has the least seniority.

(b) Seniority for the purposes of application of the layoff procedure in section 5 is determined by total City employment, excluding employment as a seasonal, provisional, or temporary employee.

(c) Comparability of employee classifications for the purposes of application of the layoff procedure in section 5 shall be determined by the Director of Human Resources.

(d) An employee displaced in accordance with section 5 shall be laid off in the same manner as an employee whose position has been abolished.

5.6 Health and Welfare Benefits During Layoff

Regular employees who are laid off will have an option of maintaining their existing health and welfare benefits for thirty-six (36) months (the thirty-six (36) months runs concurrently with any COBRA benefits) from the date of layoff, provided timely payments of the premiums by the employee are made to the City, according to City regulations, and provided the employee otherwise meets the requirements of federal and state regulations.

5.7 Voluntary Layoff

When a determination has been made that a layoff will occur, regular full-time employees may elect to be voluntarily laid off regardless of their seniority status. The following provisions apply to an employee who so elects to be laid off:

(a) For payroll purposes, the employee will be treated as being on approved leave of absence without pay for up to twelve (12) months.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

(b) The employee will have the option to either retain sick leave and/or
vacation balances for up to one (1) year in anticipation of reemployment or
be paid off for those leaves in accordance with applicable provisions of
this Memorandum of Understanding.

(c) The names of employees who elect to be voluntarily laid off will be placed
on reemployment lists in accordance with section 6.
SECTION 6. REEMPLOYMENT

(a) 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 and is ready to report for duty when a position is open, the City shall cause the name of such employee to be placed on 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. An employee who waives reemployment three times shall have his/her name removed from this reemployment list unless mutually agreed to by the City and employee.

(b) The order in which names shall be placed on the reemployment list for any class shall be by seniority, which means "last laid off, first rehired."

(c) In filling vacancies, eligibles on the reemployment lists take precedence over eligibles on any other list for the same class 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 Supervisory level employee for cause.

The appointing authority may discharge, suspend, or demote any Supervisory level employee provided the Stockton Municipal Code provisions and the rules and regulations of the Civil Service Commission and any applicable provisions of law are followed. The Supervisory Level employee may take any one (1) of the following actions:

(a) File no grievance.

(b) File a grievance as provided for in Section 8.1 within ten (10) business days of written notification of the action.

(c) File an appeal within ten (10) business days of written notification of the action with the Civil Service Commission as appropriate for Supervisory Level employees.

If the employee fails to do (a) (b) or (c) above within the prescribed time frame, these rights will have been waived.
SECTION 8. GRIEVANCE PROCEDURE

8.1 Definition

A grievance is any dispute which involves the interpretation or application of the Memorandum of Understanding or appropriate disciplinary action (Supervisory Level employees only) in lieu of a Civil Service Commission appeal.

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 in which the affected employee received written notification of such action. All other grievances must be filed within thirty (30) calendar days from the time the employee knew or had reason to know of the facts giving rise to the grievance.

8.3 Grievance Processing

(a) Step 1 - Departmental Review. Any employee claiming to have a grievance may discuss the complaint with such management official in the department where employed as the department head may designate. If the issue is not resolved within the department within ten (10) business days from the day of presentation or if the employee elects to submit the grievance directly to the Association recognized as the representative of that employee’s classification, the procedures hereinafter specified may be invoked.

(b) Step 2 - Director of Human Resources Review. If the employee is not satisfied with the response at Step 1, then the employee may appeal the grievance to the Director of Human Resources within ten (10) business days of the receipt of written response at Step 1. Such appeal must state with particularity; 1) the specific policy, rule or provision which is alleged to have been violated; 2) the statement of facts comprising the violation; and 3) the requested remedy. The Association may file and process grievance(s) on behalf of the specifically named employee.

The Director of Human Resources shall have twenty (20) business days in which to review the issues and respond to the appeal. No grievance may be processed under the following two (2) paragraphs, which has not first been filed and reviewed in accordance with this paragraph unless the Director of Human Resources fails to respond within the time limit.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

(c) **Step 3 -** The parties may mutually agree to the use of this Step prior to proceeding to Step 4, Arbitration. Either party may with written notice within ten (10) business days of the decision of Step 2, request Step 3. Upon mutual agreement of Step 3, the City will request a representative from the State of California Mediation/Conciliation Service to review the grievance and make non-binding recommendations to assist the parties in resolving the grievance. The State Mediator will not provide any written documents and is limited to the restriction in Labor Code Section 65 and Attorney General opinions 51/183 and 68/77.

(d) **Step 4 - Arbitration.** If the grievant or the Association is dissatisfied with the response at Step 2 or Step 3, if used, or if the Director of Human Resources fails to respond within the time limit in Step 2, the grievance may be moved to Step 4 within twenty (20) business days. The grievance will be referred to an arbitrator mutually selected by the parties, or, if the parties are unable to mutually agree from a list of seven (7) arbitrators provided by the State of California Mediation/Conciliation Service, the arbitrator shall be chosen by the alternative strike method, with first choice being determined by lot. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by both parties. 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 hereto except as provided otherwise 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 Association and unless such dispute falls within the definition of a grievance as set forth in paragraph 8.1.

Proposals to add to or change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be arbitrated 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. No arbitrator selected pursuant to this section shall have the power to amend or modify this Memorandum of Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

No change 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 Association.

8.5 Other Provisions

If the Director of Human Resources in pursuance of the procedures outlined above resolve a grievance which involves suspension or discharge, he/she 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 judgment for the judgment of Management and if he finds that the City had such right, he 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 department at Step 1. Only complaints which 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 thirty (30) days from the date upon which the complaint was filed.

The provisions of this Section shall not abridge any right to which an employee may be entitled under the Stockton Municipal Code and/or Civil Service Rules and Regulations, nor shall it be administered in a manner, which would abrogate any power, which may be within the sole province and discretion of the Civil Service Commission. Reference to Civil Service Commission is limited to Supervisory Level employees.

All grievances of employees in the representation unit represented by the Association shall be processed under this Section. If the Stockton Municipal Code and/or the Civil Service Rules and Regulations requires that differing options 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 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
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

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.
SECTION 9. LEAVES

9.1 Vacation - FLSA Exempt Employees

(a) Effective July 1, 2012, FLSA exempt employees shall accrue vacation leave with pay in accordance with the following schedule:

(1) Less than 1-1/2 years continuous employment 120 hours/year
(2) After 1-1/2 years up to 7 1/2 years 148 hours/year
(3) After 7-1/2 years up to 15 years 188 hours/year
(4) After 15 years up to 25 years 229 hours/year
(5) Seven (7) additional hours for each completed year of service in excess of twenty-five (25) years.
(6) Employees shall accrue vacation on a twice-monthly payroll basis.

(b) Maximum Vacation Accrual. Employees reaching the maximum hours shall stop accruing additional hours until they are below the caps listed here. No vacation hours may be added to sick leave balances without exception. Effective July 1, 2012, the following maximum vacation accruals shall take effect. Bargaining unit employees as of July 1, 2014, that had excess vacation hours rolled into sick leave banks on June 30, 2012, per the parties’ agreement, will now have these hours rolled out of sick leave. For the term of this contract, these leave hours will be considered “special leave” and will have no cash value. Employees have until June 30, 2016 to use special leave hours, otherwise, the hours are forfeited.

The maximum number of vacation hours that employees on a 40 hour workweek shall accrue are as follows:

| Under 1.5 years | 200 hours |
| 1.5 – 7.5 years | 320 hours |
| 7.5 – 15 years | 360 hours |
| 15 – 25 years | 400 hours |
| 25 years | 408 hours |
| 26 years | 416 hours |
| 27 years | 424 hours |
| 28 years plus | 7 hours each additional year |
9.2 Vacation - FLSA Non-Exempt Employees

(a) Vacation Allowance (40-hour workweek). Effective July 1, 2012, FLSA non-exempt employees on a forty-hour workweek shall receive a vacation allowance in accordance with the following schedule.

(1) Less than 1-1/2 years continuous employment 80 hours/year
(2) After 1-1/2 years up to 7 1/2 years 108 hours/year
(3) After 7-1/2 years up to 15 years 144 hours/year
(4) After 15 years up to 25 years 189 hours/year
(5) Seven (7) additional hours hence for each completed year of service in excess of twenty-five (25) years.
(6) Employees shall accrue vacation on a twice-monthly payroll basis.

(b) Maximum Vacation Accrual. FLSA non-exempt employees on a 40-hour workweek reaching the maximum hours shall stop accruing additional hours until they are below the caps listed here. No vacation hours may be added to sick leave balances without exception. Effective July 1, 2012, the following maximum vacation accruals shall take effect. For employees who on July 1, 2012 have vacation balances that exceed their maximum shall have until June 30, 2013 to use sufficient vacation to get under the maximum allowed. If an employee does not get below the maximum by June 30, 2013, they shall retain their existing earned vacation, but shall not earn any additional vacation until they are under the maximum vacation accrual allowed.

The maximum number of vacation hours that employees on a 40 hour workweek shall accrue are as follows:

<table>
<thead>
<tr>
<th>Years</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 1.5 years</td>
<td>120 hours</td>
</tr>
<tr>
<td>1.5 – 7.5 years</td>
<td>240 hours</td>
</tr>
<tr>
<td>7.5 – 15 years</td>
<td>280 hours</td>
</tr>
<tr>
<td>15 – 25 years</td>
<td>320 hours</td>
</tr>
<tr>
<td>26 years</td>
<td>328 hours</td>
</tr>
<tr>
<td>27 years</td>
<td>336 hours</td>
</tr>
<tr>
<td>28 years</td>
<td>344 hours</td>
</tr>
<tr>
<td>29 years</td>
<td>352 hours</td>
</tr>
</tbody>
</table>

For every year of service beyond 29, the employee is allowed to add an additional seven (7) hours to the maximum accrual cap.

(c) Vacation Allowance (56-hour workweek). FLSA non-exempt employees on a 56-hour workweek shall receive a vacation allowance, in accordance
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU

Term: July 1, 2016 – June 30, 2019

with the following schedule:

(1) Less than 1-1/2 years continuous employment 120 hours/year
(2) After 1-1/2 years up to 7 1/2 years 162 hours/year
(3) After 7-1/2 years up to 15 years 216 hours/year
(4) After 15 years up to 25 years 283.5 hours/year
(5) Thereafter, 10.5 additional hours hence for each completed year of service in excess of twenty-five (25) years.
(6) Employees shall accrue vacation on a twice-monthly payroll basis.

(d) Maximum Vacation Accrual. Employees on a 56-hour workweek reaching the maximum hours shall stop accruing additional hours until they are below the caps listed here. No vacation hours may be added to sick leave balances without exception. Effective July 1, 2012, the following maximum vacation accruals shall take effect. Employees, who on July 1, 2012 have vacation balances that exceed their maximum, shall have until June 30, 2013 to use sufficient vacation to get under the maximum allowed. If an employee does not get below the maximum by June 30, 2013, they shall retain their existing earned vacation, but shall not earn any additional vacation until they are under the maximum vacation accrual allowed.

The maximum number of vacation hours that employees on a 56 hour workweek shall accrue are as follows:

<table>
<thead>
<tr>
<th>Years</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 1.5 years</td>
<td>300 hours</td>
</tr>
<tr>
<td>1.5 – 7.5 years</td>
<td>360 hours</td>
</tr>
<tr>
<td>7.5 – 15 years</td>
<td>420 hours</td>
</tr>
<tr>
<td>15 – 25 years</td>
<td>480 hours</td>
</tr>
<tr>
<td>26 years</td>
<td>492 hours</td>
</tr>
<tr>
<td>27 years</td>
<td>504 hours</td>
</tr>
<tr>
<td>28 years</td>
<td>516 hours</td>
</tr>
<tr>
<td>29 years</td>
<td>528 hours</td>
</tr>
<tr>
<td>29 plus years</td>
<td>7 hours each additional year</td>
</tr>
</tbody>
</table>

9.3 Vacation Sell-back for All Employees in this Unit

An employee may elect to receive cash payment for up to a maximum of forty (40) hours of his/her unused accumulated vacation balance, except this option is suspended during furlough or fiscal emergency periods, during the term of this MOU and until a successor MOU is reached. However, if this MOU is approved by July 1, 2016, effective for FY 2017/2018 and 2018/2019 only, an employee may elect to receive a cash payment for a maximum of forty (40) hours of his/her
unused accumulated vacation balance after the use of a scheduled vacation of forty (40) hours or more in that same or prior fiscal year. To utilize this option, employees must maintain a balance of (forty) 40 accrued vacation hours after the cash payment. When in effect, this option may be exercised once per fiscal year. Employees may elect this option by December 31 of each year for the cash out the following fiscal year. The cash out election is irrevocable and the City will follow IRS regulations regarding cash payment of leave.

9.4 Vacation Cash out Upon Separation

An eligible employee separating from City service effective July 1, 2014 for any reason who has unused vacation time shall be paid for such vacation time up to the effective date of the last day of employment with the City. Payment for unused vacation shall be made at the final rate of pay. Payment for the unused vacation hours shall be paid post separation date at no later than the second regularly scheduled pay period pay date following separation. Prior to separation from City service, the City does not provide to employees any vacation cash out or sell back for accrued but unused vacation hours.

9.5 Sick Leave

(a) **Accrual.** All regular employees, except provisional, temporary and extra-help employees, each shall accrue sick leave at the rate of eight (8) hours for full month of service. All regular employees, except provisional, temporary and extra-help employees, working less than a full month shall 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 hours, which the employee would normally have worked, to a maximum of sick leave hours accrued.

An employee may use sick leave for preventive medical, dental, optical care, 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, childbirth and recovery therefrom.

(c) **Family Sick Leave.** In accordance with California Labor Code section 233 ("Kin Care"), employees may utilize up to on-half of the employee's annual sick leave accrual to care for an illness or injury in the case of illness or injury in the employee's immediate family when such illness or injury
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

requires personal care except in instances where the employee is on approved FMLA or CFRA leave. Such sick leave shall be limited, by the department head, to the time reasonably required to make other arrangements for such care.

For the purpose of this Section, such sick leave 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, grandchild, and registered domestic partner. The employee’s “child” includes a biological, foster, or adopted child, a stepchild, a legal ward, a child of the employee’s registered domestic partner, or a child to whom the employee stands in loco parentis.

(d) Procedures for Requesting and Approving Sick Leave. When the requirement for sick leave is known to the employee in advance of his/her absence, the employee shall request authorization for such sick leave from the department head prior to such absence. In all other instances, the employee shall notify his/her supervisor as promptly as possible of his/her absence.

Before an employee may be paid for the use of accrued sick leave, he/she shall complete and submit to his/her department head a signed statement, on a prescribed form, stating 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 department head.

(e) Doctor’s Certificate or Other Proof. If an employee's illness results in an absence from work for more than three (3) consecutive days, then a doctor's certificate or other reasonable proof of illness may be required by the department head. The City may monitor and control the appropriate use of sick leave by employees and if reasonable cause is articulated, can limit use of sick leave and require additional verification.

The department head 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) **Payment for Unused Sick Leave.** Effective February 17, 2012, all accumulated or future accruals of sick leave shall have no cash value upon separation of employment and employees shall not be allowed to cash out unused sick leave except as provided below.

(h) **CalPERS Service Credit for Unused Sick Leave.**

Employees shall be eligible for CalPERS service credit for any unused sick leave at retirement not otherwise compensated for in (i) below. Employees hired after the City amends its CalPERS contract to eliminate service credit for unused sick leave shall not be eligible for this service credit.

(i) **Sick Leave Retention Benefit**

If, after subtracting the equivalent of one full year of service credit (2080 hours), which may be applied to CALPERS service credit, any balance remaining upon separation shall be paid as follows to employees who have remained in City service until the dates specified:

1. Separation prior to July 1, 2014, no payment of unused sick leave at separation shall occur for separating employees before this date;

2. Separation between July 1, 2014 and June 30, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 35% of its cash value to separating employees between these dates; and

3. Separation on or after July 1, 2015, payment of unused sick leave which the employee held on 2/16/12 shall be paid at 50% of it's cash value to separating employees after this date.

4. Service credit for unused sick leave shall be in accordance with PERS regulations.

9.6 **Other Leaves With Pay**
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

(a) **Bereavement Leave.** In the event of a death in the immediate family of an employee, he/she shall, upon request be granted up to three (3) days bereavement leave with pay without charge to his/her accumulated sick leave credits or vacation eligibility. For the purposes of this paragraph, the immediate family shall be restricted to the employee's parents, current step parents, spouse, mother-in-law, father-in-law, child, stepchild, brother, sister, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparent, grandchild, and registered domestic partner.

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 bereavement leave upon request which shall be charged against the employee's accumulated sick leave credits.

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

Said absence from duty including necessary travel time, will be for actual hours served on jury duty or testifies as a witness in a criminal case, other than as a defendant. This shall include the time from when the employee is ordered to appear until the time the employee is released from the court. As a condition of receiving such pay, the employee must remit to the City, through the employee's department head, within fifteen (15) days after receipt, all fees received except those specifically allowed for mileage and expenses.

If an employee is not due to appear for jury duty or as a witness until an afternoon court session, the employee will be expected to work his usual morning schedule. If an employee is required to appear for a morning court session and is sent home before noon and not required to return in the afternoon, the employee will be expected to work his usual afternoon schedule.

Said absence from duty will be without pay when the employee appears in private litigation to which the City of Stockton is not a party.

Any fees allowed, except for reimbursement of expenses incurred, shall be remitted to the City through the employee's department.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU

Term: July 1, 2016 – June 30, 2019

Notwithstanding the foregoing, attendance in court in connection with an employee's official duties or in behalf of the City of Stockton in connection with a case in which the City of Stockton is not a party, together with travel time necessarily involved, shall not be considered absent from work within the meaning of this Section.

(c) Military Leave. An employee of the City who is a member of the National Guard or Naval Militia or a member of 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 shall be allowed leave of absence without pay for the duration of a national emergency 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. Said employees shall be reinstated in the service, except as hereinafter stated, providing they are physically fit as shown by a medical examination by the City Physician or other physician appointed to make a medical examination.

All probationary employees inducted into the Military Service not having served the minimum probationary period of six (6) months, shall be allowed leave of absence without pay for the duration of a national emergency, but 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 the status of a regular employee.

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

9.7 Workers' Compensation Leave

(a) Workers' Compensation Benefits shall be provided in accordance with State law and schedules whenever an employee is absence from duty because of disability caused by illness or injury arising out of and in the course of employment which has been declared to be compensable under the Workers' Compensation Law. An employee on Workers' Compensation may use accrued leave, if needed, to supplement benefits, up to the amount required.
to receive a full paycheck.

(b) \textbf{Forms and Procedures.} Workers’ compensation processing shall be consistent with City procedures and in accordance with state workers’ compensation regulations. Any employee who sustains a work-related injury or illness shall immediately inform his/her supervisor no matter how minor an on-the-job injury may appear. An employee who sustains a work-related injury or illness who is required to seek medical care shall use at facilities designated by the City unless they have filed a pre-designation of personal physician prior to sustaining the work-related injury or illness. For a list of City designated medical care facilities and/or physicians, please contact Human Resources.

\textbf{9.8 Leave of Absence}

Employees shall not be entitled to leave of absence as a matter of right, but only in accordance with the provisions of law and the City of 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 department head under this Section shall be subject to review by the Director of Human Resources, 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 hereinafter.

The entitlement to City payment of premium 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 plan by prepayment of the monthly premium during the authorized leave of absence.

Authorized absence without pay which 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 adjustment.

9.9 Leave of Absence Without Pay

(a) Purpose and Length. Only employees occupying regular positions on a regular basis are eligible for leaves of absence without pay under the provisions of this Section.

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

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 approval of the Director of Human Resources. This includes disabilities caused or contributed to by pregnancy, miscarriage, abortion, 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 Leave of Absence Without Pay. In order to receive leave without pay, an employee must submit a request on the prescribed form to his/her department head and the Director of Human Resources describing the reasons for the request and all other information required for the department head, or his/her representative, to evaluate the request. Leaves without pay may be cancelled by the department at any time.

9.10 Absence Without Official Leave (AWOL)

(a) Failure to Report to Duty 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 cancelled, or at the expiration of a leave, shall be considered an absence without official leave and shall be subject to discipline.

(b) Voluntary Resignation. Any employee in this bargaining unit absent without official leave for two (2) or more consecutive scheduled days or absent an aggregate of sixteen (16) hours in any calendar month without a satisfactory explanation as approved by the Human Resource Director shall be deemed to have voluntarily resigned from the City of Stockton, except if the absence is due to a verified illness or injury.
9.11 **Paternal/Adoption/Maternity/Pregnancy Leave**

Family medical leave shall be in accordance with the Family Medical Leave Act ("FMLA") of 1993, the California Family Rights Act ("CFRA"), or Pregnancy Disability Leave ("PDL") and/or other applicable state and federal laws. Consistent with City policy and State and Federal law, employees may be required to utilize accrued sick and/or vacation leave during unpaid leaves in certain circumstances.

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

10.1 **Workweek**

(a) The workweek and hours of work are determined solely by the City. The normal workweek for employees in this unit shall consist of five (5) consecutive eight (8) hour days or a minimum total of forty (40) hours. Where needs of a department require deviations (as determined by the Department Head) from the present schedule, the Department Head may institute alternate work schedules.

(b) The department will (except in emergency situations) provide a ten (10) working day notice (prior to implementation) of any workweek and/or hours changes.

10.2 **Meal Periods**

Non-exempt Employees shall receive a one (1) hour or a thirty (30) minute meal period without pay each day and a fifteen (15) minute paid rest period during the first half of the work day and a second fifteen (15) minute paid rest period during the second half of the work day. Except for Police Telecommunications and Fire Telecommunications Supervisors, bargaining unit non-exempt employees shall be completely relieved of duty during unpaid meal periods. Non-exempt employees who exceed the time limits prescribed above for lunch and/or rest periods shall have their pay reduced accordingly.
SECTION 11. OVERTIME

11.1 Eligibility

(a) **Mid-Management Level** employees do not receive overtime. Mid-Management Level employees in this unit are salaried employees who work whatever time necessary to accomplish duties of their assigned position.

(b) **Supervisory Level** employees will receive overtime at the appropriate rate when authorized in writing by the Department Head prior to the overtime worked. The following provisions pertaining to authorized or statutorily required overtime work shall apply to non-FLSA exempt employees.

1. Unless otherwise provided below, statutory overtime shall be paid on actual time worked in excess of forty (40) hours in any FLSA work period. Such overtime shall be paid for at time and one-half (1-1/2) including employees employed on a per hour or per day basis or except as provided elsewhere herein. Observed holidays, floating holidays, jury duty leave, bereavement leave, and sick leave hours taken will be considered as time worked for overtime calculation purposes. Vacation, or other compensated time off shall not be considered as actual time worked.

2. Fire Telecommunications Supervisors assigned to a 56-hour workweek shall be compensated at the overtime rate for all time worked in excess of 56 hours in a seven (7) day workweek. Fire Telecommunicators Supervisors work 24 hour shifts, resulting in a regular schedule averaging 2912 hours per year / 56 hours per week (832 hours of overtime). In approximately 2000, the parties agreed to add the regularly scheduled FLSA overtime pay into the base, in order to ensure a regular and level payment of overtime over the course of a year. This methodology withstood a legal challenge in *Hughes, et al. v. City of Stockton, et al.* For additional overtime hours, the City shall pay overtime at one and one-half (1 ½) time the employee’s regular rate of pay for all hours worked over fifty-six (56) in a workweek.
(c) Fire Telecommunication Supervisors who have volunteered to work overtime to cover an assignment in a classification other than their actual classification shall be paid overtime at the hourly rate of the lower classification in which they are performing those overtime duties. The hourly rate shall be at the top step of the lower classification's salary range. The employee's premium pay that they are regularly entitled to shall be included when computing the overtime for the work performed in the lower classification.

(d) Except as otherwise provided in section 12, employees who are not regularly scheduled to work holidays shall be paid for a regular day plus time and one-half (1-1/2) for actual time worked on a holiday observed by the City.

(e) Exempt Status of Classifications. The parties have agreed that effective upon the first full pay period after ratification of this contract the classifications listed in Appendix A will be reclassified from non-exempt to exempt from overtime as provided by the Fair Labor Standards Act and will be considered Exempt in the City’s pay policies and for the accrual of vacation.

(f) Fire Telecommunication Supervisors who have traded shifts are not eligible to work overtime for hours that would have been their normal hours of work.

(g) Temporary Upgrade Pay. Employees who are not FLSA exempt and are 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.

11.2 Compensatory Time Off (CTO)

(a) Definition. As used in this Section, the term Compensatory Time Off (CTO) refers to that time which an employee is entitled to be absent from duty with pay for hours worked in addition to or excess of their normal work schedule. For the purpose of this Section, Compensatory Time shall apply only to Supervisory Level employees.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

(b) **CTO in Lieu of Overtime Compensation.** Except Fire Telecommunications Supervisors assigned to a 56-hour workweek, employees may voluntarily elect to receive overtime compensation in the form of CTO at the rate one and one-half (1-1/2) hours of CTO for each hour of overtime worked in excess of fifty six (56) in a seven (7) day work period, for which the employee is eligible for overtime as defined in 11.1(b)(1) above.

(c) **Use.** Use of CTO shall be scheduled with due consideration for the wishes of the employee and so as to not interfere with the normal operation of City business. Approval of requests for use of CTO shall be at the sole discretion of the department head, but once approved, cannot be changed unless an emergency situation arises.

(d) **Maximum Accrual.** No more than one-hundred (100) hours of CTO may be carried on the books at any time, except Fire Telecommunications Supervisors assigned to a 56-hour workweek who may not accrue CTO. Once one hundred (100) hours of CTO is accrued on the books, all other hours worked in excess of forty (40) hours in a seven (7) day work period will automatically be paid to the employee. At the end of each calendar year, all CTO will be carried forward (forty (40) hours maximum), unless the employee elects to have the compensatory balance paid. Carryover CTO cannot exceed the forty (40) hours maximum.

Any CTO balance in excess of forty (40) hours remaining at the end of calendar year will automatically be paid to the employee.

(e) **Elimination of CTO for Fire Telecommunications Supervisors.** Effective January 1, 2009, Fire Telecommunications Supervisors assigned to a 56-hour workweek shall no longer accrue or use CTO and shall be paid at their regular rate of pay for all accrued and unused CTO hours on or about January 7, 2009; provided, however, any Fire Telecommunications Supervisors having any approved leave request(s) for CTO for time off work through January 31, 2009, shall be permitted to use the approved CTO leave.
SECTION 12. HOLIDAYS

12.1 Holidays Observed by the City: (Mid-Management/Supervisory Level)

(a) All regular employees, excluding provisional and temporary employees, shall be entitled to take all authorized holidays at full pay not to exceed eight (8) hours for any one (1) holiday.

<table>
<thead>
<tr>
<th>Observed</th>
<th>Holiday</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) January 1</td>
<td>New Year’s Day</td>
</tr>
<tr>
<td>(2) Third Monday in January</td>
<td>Martin Luther King Jr.’s., Birthday</td>
</tr>
<tr>
<td>(3) Second Monday in February</td>
<td>Lincoln’s Birthday</td>
</tr>
<tr>
<td>(4) Third Monday in February</td>
<td>Washington’s Birthday</td>
</tr>
<tr>
<td>(5) March 31 (FLOATING)</td>
<td>Cesar Chavez Day</td>
</tr>
<tr>
<td>(6) Last Monday in May</td>
<td>Memorial Day</td>
</tr>
<tr>
<td>(7) July 4</td>
<td>Independence Day</td>
</tr>
<tr>
<td>(8) First Monday in September</td>
<td>Labor Day</td>
</tr>
<tr>
<td>(9) Second Monday in October</td>
<td>Columbus Day</td>
</tr>
<tr>
<td>(10) November 11</td>
<td>Veteran’s Day</td>
</tr>
<tr>
<td>(11) Fourth Thursday in November</td>
<td>Thanksgiving</td>
</tr>
<tr>
<td>(12) The Friday after Thanksgiving</td>
<td></td>
</tr>
<tr>
<td>(13) December 25</td>
<td>Christmas Day</td>
</tr>
</tbody>
</table>

FLOATING holiday must be used within the calendar year. Floating holiday hours (8 total per calendar year) may be taken in one (1) hour increments. Any hours not used by December 31 of each year expire and are not carried forward into the subsequent year. There is no cash value for any unused floating holiday hours. Employees have not earned and cannot use the floating holiday hours until the actual holiday occurs (March 31).

(b) Police Telecommunications Supervisors assigned to shifts (phase days) shall receive, in addition to their normal compensation, one day’s pay for each of the holidays listed in 12.1 (a) above, on which the employee does not work, except for floating holiday(s). Such employees required to work a holiday on a hire-back basis, shall be compensated at time and one-half (1½), in addition to their normal compensation (8 hours) and paid holiday (8 hours). Such employees required to work a holiday on a regularly scheduled basis shall be compensated at time and one-half (1½) overtime in addition to their normal compensation (8 hours). The maximum additional compensation subject to CalPERS for working the holiday will be twenty (20) hours.
(c) Fire Telecommunications Supervisors assigned to a 56-hour workweek shall receive, in addition to their normal compensation, 12 hours pay for each of the holidays listed in 12.1 (a) above. Fire Telecommunications Supervisors shall be compensated at the overtime rate for all time actually worked in excess of 12 hours on a holiday (excluding the floating holiday). Commencing June 30, 2016, this practice will end and Fire Telecommunications Supervisors shall be compensated at straight time for the full shift worked on a holiday, unless otherwise eligible for overtime pursuant to Section 11.1(b)(2).

12.2
For employees on a Monday through Friday workweek, if holidays fall on a Sunday, the following Monday shall be observed. If holidays fall on Saturday, the preceding Friday shall be observed.

For employees on the 9/80 alternative work schedule, employee may shift their work schedule so that their 8 hour day falls on the designated holiday with the approval of their supervisor.

12.3
In order to receive Holiday Pay the employee must be in a paid status the day before and the day after the holiday.

12.4
An employee who takes a holiday off on a normally scheduled work day will receive 8 hours of holiday pay at their regular rate of pay, and the holiday hours count as time worked for FLSA overtime calculation purposes. A holiday that falls on an employee's normally scheduled day off will receive 8 hours of holiday pay at their regular rate of pay, however the holiday hours will not be counted as time worked. If an employee works on a holiday, the employee will receive 8 hours of holiday pay at their regular rate of pay, actual hours worked will be paid at the time and one half (up to 8 hours) and holiday hours will not be counted as time worked. If an employee works only partial hours on a holiday, partial holiday hours will be counted as time worked for FLSA overtime calculation purposes (up to 8 hours combined maximum).
SECTION 13. COMPENSATION AND ALLOWANCES OTHER THAN BASE SALARY

13.1 Retirement Contribution Supplement

(a) For employees hired on or before June 30, 2011, the City will pay the Employer Paid Member Contribution of seven percent (7%) of the Mid-Management/Supervisory Level employees' current base salary and other compensation as qualified by State law towards the Public Employees' Retirement System (CalPERS). Such amounts will be applied to the employee's individual account in accordance with P.E.R.S. California Government Code Section 20691. Employees hired on or after July 1, 2011 will pay the seven percent (7%) employee contribution towards CalPERS.

Effective August 1, 2011, employees hired on or before June 30, 2011 will pay seven percent (7%) of the Employer's share towards the CalPERS benefit. This employees contribution will be made on a post-tax basis, unless the City obtains a ruling from the I.R.S. that these contributions can be made on a pre-tax basis. During the term of this MOU, the City and B&C shall implement a “flip” providing that employees will pay 7% of the employee's contribution towards the CalPERS benefit.

(b) PERS Benefits for Employees hired on or before December 28, 2012 The City's CalPERS retirement plan is modified to reflect two percent (2%) at age 55, effective January 1993. The City of Stockton has amended its contract with CalPERS in order to provide a second-tier CalPERS retirement plan with the 2% at 60 formula for all employees hired thereafter in all applicable classifications within the B & C unit, without inclusion of the additional benefits listed below in sections (c), (d), (e), and (f) effective December 28, 2012.

(c) For Employees hired on or before December 28, 2012, the City will provide military service credit pursuant to the provisions of P.E.R.S. California Government Code Section 21024 and Section 21027, at the employee's expense, upon adoption by Stockton City Council and CalPERS Administration Board.

(d) For Employees hired on or before December 28, 2012, the City will provide P.E.R.S. California Government Code Section 20692 (Employer Paid Member Contributions Converted to Payrate During the Final Compensation Period) as added CalPERS benefits. At the beginning of
employee's last year of employment, the employee will pay their employees' seven percent (7%) benefit cost through an automatic payroll deduction. The City will increase the base salary for those employees by the same seven percent (7%) for the last twelve (12) months of employment. Internal Revenue Service (IRS) Code 414H (2) will be concurrently implemented with P.E.R.S. California Government Code Section 20692, effective upon adoption by the Stockton City Council and CalPERS Administration Board.

(e) For Employees hired on or before December 28, 2012, the City will provide P.E.R.S. California Government Code Section 20965 (Credit for Unused Sick Leave) as added CalPERS benefits, to be effective upon adoption by the Stockton City Council and CalPERS Administration Board.

(f) For Employees hired on or before December 28, 2012, the City will provide P.E.R.S. California Government Code Section 21335 (up to five percent 5.0% Annual Cost of Living Allowance Increase) as added CalPERS benefits, to be effective upon adoption by the Stockton City Council and CalPERS Administration Board.

(g) PERS Benefits for Employees hired on or after December 29, 2012

Employees with Reciprocity:

Employees hired on or after December 29, 2012, who had service under another CalPERS agency or public retirement system with reciprocity prior to January 1, 2013, and a break in service of less than 6 months and are considered legacy employees by PERS AB 340, shall be subject to the PERS pension formula of 2% at 60 with no optional pension enhancements and the other provisions of the retirement tier they were hired under. Employees shall pay the employee's statutory employee's contribution for these benefits of 7%.

Employees without Reciprocity:

Employees hired on or after January 1, 2013, shall be subject to the AB340 PERS pension formula of 2% at 62 with no optional pension enhancements and the other provisions of the retirement tier they were hired under. Employees shall pay 50% of the City normal cost rate for the 2% at 62 as determined by CalPERS.

(h) The City will provide P.E.R.S. California Government Code Section 21574 (Fourth Level of 1959 Survivor Benefits) to employees.
13.2 Uniform Allowance

(a) Effective July 1, 2013, employees in the following classifications who are required to wear uniforms shall be paid an annual uniform allowance of nine hundred dollars $900.00, one-half payable in April and one-half payable in October.

   (1) Fire Telecommunications Supervisor;
   (2) Police Telecommunications Supervisor; and
   (3) Supervising Police Records Assistant.

(b) Effective July 1, 2013, employees in the following classifications who are required to wear uniforms shall be paid an annual uniform allowance of nine hundred and fifty dollars ($950.00), one-half payable in April and one-half payable in October.

   (1) Police Services Manager / Animal Services Supervisor;
   (2) Supervising Evidence Technician; and
   (3) Property Room Supervisor.

(c) Effective July 1, 2013, employees in the following classifications who are required to wear uniforms shall be paid an annual uniform allowance of nine hundred and seventy-five dollars ($975.00), one-half payable in April and one-half payable in October.

   (1) Senior Community Service Officer.

(d) To account for the correct uniform allowance owed during FY 13/14, the City agrees to a one-time payment of fifty dollars ($50.00) to those classification listed in section 13.2 (a), (b), and (c) as soon as administratively possible.

(e) Safety Protective Footwear Reimbursement. Employees required to wear safety protective footwear in accordance with City Manager's Administrative Directive HR-034, and approved for safety protective footwear reimbursement, the City will authorize safety protective footwear reimbursement in the amount of one hundred sixty dollars ($160.00) as needed and approved by the employee's supervisor and department head. The list of classifications and or positions that are required to wear protective footwear is included in the Administrative Procedure and may be amended from time to time to reflect changes in the classifications required to purchase footwear.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

13.3 Public Employees' Retirement System (P.E.R.S.)

The City shall contribute an amount required by the Public Employees' Retirement System (P.E.R.S.) to retain the present Retirement Program.

13.4 Deferred Compensation

The City will provide at no cost to the employee, deferred compensation as a supplement to voluntary deferred compensation plans, if any, for which the individual employee may be eligible.

13.5 Mileage Reimbursement for Private Vehicle Use

Mid-Management/Supervisory Level employees who use their own vehicle on City business on a consistent and repetitive basis will be compensated at the current Internal Revenue Service (IRS) rate and in accordance with the City Manager's Administrative Directive, MAN-16, Section III. B.

13.6 Longevity Pay

(a) Effective August 1, 2011, longevity pay shall be eliminated. The City, however, shall grandfather employees who have completed twelve (12) continuous years of service with the City as of July 1, 2012, with one and one-half percent (1.5%) of the top salary step of the employee's pay range to the employee as a professional growth.

13.7 Call Back Pay

(a) Supervisors only who are called back to work shall be compensated at least two (2) hours and forty-five (45) minutes pay at time and one half (1-1/2) times his/her hourly rate of pay or for all time actually worked at time and one half (1-1/2) times his/her hourly rate of pay, if eligible for overtime as defined in Section 13.9 below, whichever is greater.

(b) To be eligible for call back pay, both of the following conditions must be met: 1) the call back must occur outside of the employee's regular work hours including overtime, 2) the call back time worked must not be contiguous to the employee's regular work hours including overtime and 3) an employee is ineligible to receive a premium for both standby and call back. For example, employee shall not receive standby pay for hours in which they are paid overtime or call back pay.
13.9 **Standby Duty Pay**

Supervisors only who are directed to remain on standby duty during their regular days off shall be paid $3.00 per hour while assigned to be on standby. Each employee so assigned to "standby" is required to carry a mobile phone or other agreed upon communication device while on standby. Employees on Standby shall respond to calls received as soon as they receive them but in no case longer than 30 minutes and shall be able to report to the work site within forty-five (45) minutes. Employees on Standby shall ensure that they available and able to return to work to perform their assigned duties. An employee shall earn time and one-half (1-1/2) for all actual time worked while on standby duty status only if eligible for overtime as defined in Section 15.4 above. An employee shall not continue to receive the “standby” premium during actual time worked, or for any hours paid as overtime or call back. Standby shall not be considered as time in “paid status because of work performed” for purposes of calculating overtime.

Standby will be assigned based on departmental policy. The City agrees to develop department policies by January 1, 2015 and parties agree to meet by March 1, 2015 to discuss the policy adopted by each department.

13.10 **Bilingual Pay**

Job positions determined by the Department Head requiring bilingual translation skills shall receive a stipend amount of $140.00 per month for verbal translation skills, or $200.00 per month for verbal and written translation skills upon testing and certification by the Human Resources Department.
SECTION 14. INSURANCE PLANS

14.0 Reopener Clause for Health Insurance

The Association agrees at the City's request, to meet and confer on any changes that are within the mandatory scope of bargaining in any City proposals related to its City sponsored medical plans that may be related to the implementation of the Affordable Care Act (ACA).

14.1 Health and Welfare Benefits

(a) Choice of Health Plans. Employees in this bargaining unit shall have a choice of enrolling themselves and their eligible dependents in any of the City sponsored medical, dental and vision plans. Each plan shall offer an Employee only, Employee plus One and Employee plus two or more dependents coverage. The City shall offer two or more medical plans to regular employees.

(b) Eligibility. Employees shall become eligible for Medical and Vision insurance on the first day of the month subsequent to completion of thirty (30) days of continuous service with the City. Employees shall become eligible for Dental insurance on the first day of the month subsequent to completion of sixty (60) days continuous service with the City. An eligible employee and eligible dependent may be enrolled in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner of another eligible City employee, but not both. If an employee is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee plan (i.e., an employee and his or her dependent cannot be covered by more than one City-offered health plan).

(c) City Contribution towards the cost of insurance programs.

1) Effective July 1, 2016 or upon the first full pay period following ratification of this Memorandum of Understanding by the Union and approval by the City Council on its regular agenda in accordance with the Ralph M. Brown Act the City will contribute:

- Up to $619.00 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

- Up to $1,124.00 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.

- Up to $1,496.00 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.

2) Effective July 1, 2017:

- Up to $631.00 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.

- Up to $1,146.00 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.

- Up to $1,526.00 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.

3) Effective July 1, 2018:

- Up to $644.00 per month toward the cost of the monthly premium for employee-only medical/dental/vision plan coverage.

- Up to $1,169.00 per month toward the cost of the monthly premium for employee plus one dependent medical/dental/vision plan coverage.

- Up to $1,557.00 per month toward the cost of the monthly premium for employee plus two or more dependents medical/dental/vision plan coverage.

These contributions are based on full-time employment; regular part-time employees shall receive a prorated contribution based on their percentage of full-time employment. Insurance plan premiums that exceed the City's monthly contribution shall be paid by the employee through payroll deductions. The City shall maintain its IRS 125 Plan to allow for employee contributions for medical/visions/dental to be pre-tax premium conversion.

(d) Plan Rules. Employees may insure themselves and their eligible dependents under the medical, vision and dental plans provided by the City, in accordance with the rules and regulations applicable to the selected Plan. Benefits in the Plan shall be in accordance with the Plan document.

(e) The City agreed to make Medicare contributions for employees hired in 1985 to 1986 who are not currently covered by Medicare, provided that
such payments shall be on a going forward basis only, and such unit members shall be required to pay the employee matching contribution to Medicare. The City entered into a Section 218 Medicare-Only Agreement with the Social Security Administration for this purpose, with an effective date of August 1, 2014.

14.2 Group Life Insurance Coverage

Effective July 1, 2012, the City shall provide employees, at no cost to the employee, term life insurance policy with a value of $50,000. In addition, employees shall have the opportunity to purchase additional voluntary life through their union or through the City’s IRS 125 plan vendor.

14.3 Long Term Disability Insurance Coverage

Mid-Management/Supervisory Level employees will receive long term disability insurance coverage. Plan benefits shall be as describe in the Plan document, but shall include:

(a) Each disability - approximately 66 2/3% of salary up to the maximum salary replacement amount as specified in the City’s long term disability plan.

(b) Disability income payments will commence after a 90-day waiting period and exhaustion of sick leave accruals.

(c) Benefit payable until age sixty-five (65).

(d) The City shall continue its normal contribution for employee medical premiums during the ninety (90) days waiting-period.

14.4 Retiree Enrollment in City Medical Plans

An eligible retiree and eligible dependent may be enrolled at their own expense, in a City offered medical plan either as a subscriber in a City offered medical plan or, as the dependent spouse/registered domestic partner or another eligible City employee/retiree, but not both. If an employee/retiree is also eligible to cover their dependent child, the child will be allowed to enroll as a dependent on only one employee or retiree’s plan (i.e., a retiree and his or her dependent cannot be covered by more than one City-offered health plan). However, the City may discontinue the enrollment of retirees in City sponsored medical plans at its discretion as per the City’s Bankruptcy Plan of Adjustment. The City reserves the
right to set benefit levels in medical plans for retirees and at its exclusive option only provide fully insured plan choices to retirees for enrollment. The City reserves the right to discontinue inclusion of retirees in City sponsored medical plans at any time.

Effective June 30, 2013, the City shall no longer provide a contribution towards the cost of retiree medical insurance for current employees (future retirees) and current retirees.

Nothing in this section shall be construed to create vested rights to benefits for employees or retirees after the expiration of this MOU.

14.5 State Disability Insurance

The Association memberships participates in SDI at the employee's expense. The City agrees to coordinate SDI benefits with other benefits.
SECTION 15. SALARY PLAN


15.1 Salary Adjustments

Effective the latter of July 1, 2016 or upon the first full pay period following ratification of this MOU by B&C and approval by the City Council on its regular agenda in accordance with the Ralph M. Brown Act, employees will receive a six percent (6%) cost of living adjustment (COLA).

The classifications listed in Appendix B will receive market salary adjustments throughout the term of this contract, according to the updated salary schedules listed in Appendix B.

15.2 Salary Equivalents

Any monthly, daily or hourly rate of pay may be converted into any equivalent rate of pay or to any other time base when such a conversion is appropriate. In determining equivalent amounts on different time basis, the City shall provide tables or the 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.

15.3 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.

15.4 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 Director of Human Resources.
15.5 **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 range of the higher rank which is at least five percent (5%) above the employee's current base salary, except that the next step shall not exceed the maximum salary of the higher rank. Add pays are not included in the calculation of base salary for purposes of this section. When an employee is promoted into another bargaining unit, the new bargaining unit's salary on promotion rules shall apply. 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 class to which demoted.

15.6 **Salary On Reinstatement**

If a former employee is reinstated in 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.

15.7 **Acting Pay**

An 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 after five (5) days, 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.

The increased rate of pay will commence with the first day of the assignment; however, to qualify the employee must meet the above conditions before being eligible for Acting Pay.

15.8 **Temporary Upgrade Pay**

Employees who are assigned to temporarily perform the duties of other employees of a higher level classification shall receive the hourly or daily rate of the higher classification to which they are temporarily upgraded. To be eligible for temporary upgrade pay, the employee must perform the full scope of duties of the higher classification and must not perform any of the duties of their own job classification while working in the higher level classification.
15.9 **Pay Equity Adjustments**

The City recognizes that there may be a need for special salary adjustments for selected classifications as a result of recruitment problems, reclassifications, and/or organizational changes. The City, in its sole discretion, may make such adjustments, but agrees to discuss with the Association.

15.10 **Special Assignment Pay**

The department head and with the concurrence of the Director of Human Resources may approve additional compensation in an amount not to exceed one additional salary step when an employee is assigned to perform additional duties and responsibilities for the duration of the special assignment.

15.11 **Emergency Medical Services (EMS) Dispatcher Accreditation Pay**

(a) The City and the Association acknowledge that California Health and Safety Code section 1797.220 directs the local emergency medical services (EMS) agency to establish policies and procedures to assure medical control of the emergency medical system.

(b) The City and the Association acknowledge that as of July 1, 2008, the San Joaquin County EMS Agency requires all employees of agencies providing emergency medical dispatch (EMD) services to possess and maintain accreditation through San Joaquin County, to include compliance with EMS Agency and National Academies of Emergency Dispatch (NAED) policies, procedures, protocol, and standards. Fire Telecommunications Supervisors are among those employees represented by the Association who must acquire and maintain accreditation by the San Joaquin County EMS Agency as a condition of providing EMD services for the City.

(c) The City and the Association acknowledge that in the event the San Joaquin County EMS Agency rescinds the certification of any bargaining unit employee as a result of any dispute arising from the exercise of the power set forth in San Joaquin County EMS Agency Policy No. 2101 (or any successor or similar policy), the City will make every effort, insofar as practicable and fiscally responsible, to employ such persons in positions for which such employees are qualified or may become qualified within a reasonable period of time and that do not require accreditation by the San Joaquin County EMS Agency.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU

Term: July 1, 2016 – June 30, 2019

(d) Emergency Medical Services (EMS) Dispatcher Accreditation Pay. Effective January 1, 2009, the City shall compensate all Fire Telecommunications Supervisors who are accredited as San Joaquin County Emergency Medical Services Dispatchers an additional one-hundred seventy five dollars ($175) per month. If the employee fails to maintain the accreditation or if the accreditation is no longer required for the position, payment of the stipend shall cease.

(e) Continuing Education for Emergency Medical Dispatchers. The City shall provide to Fire Telecommunications Supervisors all necessary EMD continuing education during normal working hours and at no cost to the employee. However, employees who do not participate in the EMD training offered by the City during normal working hours shall be responsible to complete the necessary continuing education on their own time without additional compensation; provided, however, that all necessary ride-along hours shall be compensated as time worked.

15.12 Salary Step Increase

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

15.13 Bi-Weekly Pay Period

The City and the Association agree to move to bi-weekly pay as soon as it is administratively possible within the City. The parties understand that this may not be administratively possible until the City implements a new payroll system.
SECTION 16. SEVERABILITY OF PROVISIONS

In the event that any provisions of this Memorandum of Understanding are declared by the 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. PAST 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.

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.

SECTION 19. DURATION OF AGREEMENT

All provisions of this Memorandum of Understanding shall be effective July 1, 2016 shall remain in full force and effect to and including the 30th day of June, 2019 and shall continue thereafter from year to year unless at least sixty (60) days prior to the expiration date of June 30, 2019, 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/CITY RIGHTS

(a) It is recognized that the need for continued and uninterrupted operation of City services is of paramount importance. Therefore, the Association and each employee represented thereby agrees that from 12:01 a.m. of June 30, 2012, through and inclusive of June 30, 2013 the Association or any person acting in its behalf, or each employee in a classification represented by the Association shall not cause, authorize, engage in, encourage, or sanction a work stoppage, slowdown, 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. The City may take other action, which 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 Association, the City may take such remedial action, as it deems appropriate.

(d) The Association recognizes the duty and obligation of its representatives and members to comply with the provisions toward inducing all employees in this unit to fully and faithfully perform their duties. In the event of any activity prohibited by subsection (a) hereinabove, the Association agrees to take supererogatory steps necessary to assure compliance with this Memorandum of Understanding.

(e) The rights of the City as set forth in Section 5 of Resolution No. 32,538, dated August 4, 1975, are incorporated herein by reference.
SECTION 21. BANKRUPTCY

Mid-Management/Supervisory Level ("B&C" defined for the purposes of this section as including without limitation: B&C's members, bargaining unit members, officials, attorneys and affiliates) agrees that this MOU shall supersede the terms of all prior MOUs, sideletters, and any other agreements between the parties as to the subjects covered herein. By voluntarily entering into this MOU, B&C agrees that this MOU shall supersede and modify the MOU between the parties dated January 1, 2009 through June 30, 2014, and all provisions of such MOU, including any increases or modifications that would have been due under the previous MOU, and that B&C voluntarily accepts the City's unilaterally-adopted changes to compensation and benefits resulting from the February 2012 Emergency Declaration.

B&C further agrees that it will not oppose the City's eligibility for chapter 9 relief. B&C agrees to support any plan of adjustment the provisions of which, as to B&C, are consistent with this MOU.
MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

IN WITNESS WHEREOF this Memorandum of Understanding was ratified by a membership vote of the Association on 5/26, 2016, and by an affirmative vote of the Stockton City Council on June 21, 2016. The parties hereto have executed this Memorandum of Understanding this 21st day of June, 2016.

MID-MANAGEMENT/SUPERVISORY LEVEL UNIT

By: [Signature]
ROBERT APPLEGATE
President

Approved as to form:
Goyette & Associates, Inc.

By: [Signature]
KIM/GILLINGHAM
Labor Representative for Association

CITY OF STOCKTON

APPROVED AS TO FORM:

By: [Signature]
KURT WILSON
City Manager

By: [Signature]
DEANNA L. SOLINA, ESQ.,
Director of Human Resources

By: [Signature]
ALLYSON HAUCK
Negotiator for the City

Approved as to form:
John Luebberke, City Attorney

By: [Signature]
MARCI ARREDONDO
Deputy City Attorney

ATTEST:

By: [Signature]
BONNIE L. PAIGE
CLERK OF THE CITY OF STOCKTON

CITY OF STOCKTON
### APPENDIX A - LIST OF JOB CLASSIFICATIONS RECLASSIFIED AS FLSA EXEMPT

<table>
<thead>
<tr>
<th>Job Classification Title</th>
<th>Job Classification Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arborist</td>
<td>Senior Golf Course Supervisor</td>
</tr>
<tr>
<td>Architect</td>
<td>Senior Parks Supervisor</td>
</tr>
<tr>
<td>Assistant City Traffic Engineer</td>
<td>Senior Planner</td>
</tr>
<tr>
<td>Associate Civil Engineer</td>
<td>Supervising Accountant</td>
</tr>
<tr>
<td>Associate Engineer</td>
<td>Supervising Librarian</td>
</tr>
<tr>
<td>Associate Engineer/Mechanical</td>
<td>Supervising Plan Checker/Structural Engineer</td>
</tr>
<tr>
<td>Associate Engineer/Traffic</td>
<td>Supervising Real Property Agent</td>
</tr>
<tr>
<td>Associate Mechanical Engineer</td>
<td>Supervisory Control &amp; Data</td>
</tr>
<tr>
<td></td>
<td>Acquisition/Computerized Maintenance Management System Program Manager</td>
</tr>
<tr>
<td>Associate Traffic Engineer</td>
<td>Technology Systems Supervisor</td>
</tr>
<tr>
<td>Budget Analyst II</td>
<td>Tree Maintenance Supervisor</td>
</tr>
<tr>
<td>Code Enforcement Field Manager</td>
<td>Senior Economic Development Analyst</td>
</tr>
<tr>
<td>Computer Operations &amp; Maintenance Supervisor</td>
<td></td>
</tr>
<tr>
<td>Craft Maintenance Supervisor</td>
<td></td>
</tr>
<tr>
<td>Deputy Building Official</td>
<td></td>
</tr>
<tr>
<td>Financial Services Supervisor</td>
<td></td>
</tr>
<tr>
<td>Fleet Manager</td>
<td></td>
</tr>
<tr>
<td>Geographic Information Systems Administrator</td>
<td></td>
</tr>
<tr>
<td>Geographic Information Systems Supervisor</td>
<td></td>
</tr>
<tr>
<td>Housing Program Supervisor</td>
<td></td>
</tr>
<tr>
<td>Library Division Manager</td>
<td></td>
</tr>
<tr>
<td>Micro-Computer Section Supervisor</td>
<td></td>
</tr>
<tr>
<td>Network Support Services Supervisor</td>
<td></td>
</tr>
<tr>
<td>Park Facility Planner</td>
<td></td>
</tr>
<tr>
<td>Plan Check Engineer</td>
<td></td>
</tr>
<tr>
<td>Program Manager I</td>
<td></td>
</tr>
<tr>
<td>Program Manager II</td>
<td></td>
</tr>
<tr>
<td>Quality Improvement Coordinator</td>
<td></td>
</tr>
<tr>
<td>Risk/Loss Control Officer</td>
<td></td>
</tr>
<tr>
<td>Senior Administrative Analyst</td>
<td></td>
</tr>
<tr>
<td>Senior Buyer</td>
<td></td>
</tr>
<tr>
<td>Senior Civil Engineer</td>
<td></td>
</tr>
</tbody>
</table>

CITY OF STOCKTON
## Appendix B – Compensation Market Adjustments

<table>
<thead>
<tr>
<th>Year 1 - eff. 7/1/16; Year 2 - eff. 7/1/17; Year 3 - eff. 7/1/18</th>
<th>Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td><strong>Code Enforcement Field Manager</strong></td>
<td>5,482.09</td>
</tr>
<tr>
<td>COLA year 1 (6%)</td>
<td>328.93</td>
</tr>
<tr>
<td>MA year 1 (4%)</td>
<td>219.28</td>
</tr>
<tr>
<td>Year 1 - With Market Adjustment</td>
<td>6,030.30</td>
</tr>
<tr>
<td>COLA year 2 (0%)</td>
<td>-</td>
</tr>
<tr>
<td>MA year 2 (10%)</td>
<td>548.21</td>
</tr>
<tr>
<td>Year 2 - With Market Adjustment</td>
<td>6,578.51</td>
</tr>
<tr>
<td>COLA year 3 (0%)</td>
<td>-</td>
</tr>
<tr>
<td>MA year 3 (8%)</td>
<td>438.57</td>
</tr>
<tr>
<td>Year 3 - With Market Adjustment</td>
<td>7,017.08</td>
</tr>
<tr>
<td><strong>Deputy Economic Development Director</strong></td>
<td>8,009.58</td>
</tr>
<tr>
<td>COLA year 1 (6%)</td>
<td>480.57</td>
</tr>
<tr>
<td>MA year 1 (4%)</td>
<td>320.38</td>
</tr>
<tr>
<td>Year 1 - With Market Adjustment</td>
<td>8,810.54</td>
</tr>
<tr>
<td>COLA year 2 (0%)</td>
<td>-</td>
</tr>
<tr>
<td>MA year 2 (3%)</td>
<td>24.03</td>
</tr>
<tr>
<td>Year 2 - With Market Adjustment</td>
<td>8,834.57</td>
</tr>
<tr>
<td>COLA year 3 (0%)</td>
<td>-</td>
</tr>
<tr>
<td>MA year 3 (0%)</td>
<td>-</td>
</tr>
<tr>
<td>Year 3 - With Market Adjustment</td>
<td>8,834.57</td>
</tr>
<tr>
<td><strong>Fleet Manager</strong></td>
<td>6,471.40</td>
</tr>
<tr>
<td>COLA year 1 (6%)</td>
<td>388.28</td>
</tr>
<tr>
<td>MA year 1 (4%)</td>
<td></td>
</tr>
</tbody>
</table>

CITY OF STOCKTON 54
### MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU

**Term:** July 1, 2016 – June 30, 2019

<table>
<thead>
<tr>
<th></th>
<th>258.86</th>
<th>272.14</th>
<th>286.07</th>
<th>300.76</th>
<th>316.17</th>
<th>332.35</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1 - With Market Adjustment</td>
<td>7,118.54</td>
<td>7,483.97</td>
<td>7,866.82</td>
<td>8,270.78</td>
<td>8,694.63</td>
<td>9,139.63</td>
</tr>
<tr>
<td>COLA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 2 (0.3%)</td>
<td>19.41</td>
<td>20.41</td>
<td>21.45</td>
<td>22.55</td>
<td>23.71</td>
<td>24.93</td>
</tr>
<tr>
<td>Year 2 - With Market Adjustment</td>
<td>7,137.95</td>
<td>7,504.38</td>
<td>7,888.27</td>
<td>8,293.34</td>
<td>8,718.34</td>
<td>9,164.55</td>
</tr>
<tr>
<td>COLA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Year 3 - With Market Adjustment</td>
<td>7,137.95</td>
<td>7,504.38</td>
<td>7,888.27</td>
<td>8,293.34</td>
<td>8,718.34</td>
<td>9,164.55</td>
</tr>
</tbody>
</table>

**Parks Supervisor**

<table>
<thead>
<tr>
<th></th>
<th>4,133.79</th>
<th>4,345.55</th>
<th>4,568.25</th>
<th>4,801.62</th>
<th>5,047.88</th>
<th>5,307.05</th>
</tr>
</thead>
<tbody>
<tr>
<td>COLA year 1 (6%)</td>
<td>248.03</td>
<td>260.74</td>
<td>274.10</td>
<td>288.10</td>
<td>302.87</td>
<td>318.42</td>
</tr>
<tr>
<td>MA year 1 (4%)</td>
<td>165.35</td>
<td>173.83</td>
<td>182.73</td>
<td>192.06</td>
<td>201.92</td>
<td>212.28</td>
</tr>
<tr>
<td>Year 1 - With Market Adjustment</td>
<td>4,547.17</td>
<td>4,780.22</td>
<td>5,025.08</td>
<td>5,281.78</td>
<td>5,552.67</td>
<td>5,837.76</td>
</tr>
<tr>
<td>COLA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 2 (3.2%)</td>
<td>132.28</td>
<td>139.06</td>
<td>146.18</td>
<td>153.65</td>
<td>161.53</td>
<td>169.83</td>
</tr>
<tr>
<td>Year 2 - With Market Adjustment</td>
<td>4,679.45</td>
<td>4,919.28</td>
<td>5,171.26</td>
<td>5,435.43</td>
<td>5,714.20</td>
<td>6,007.58</td>
</tr>
<tr>
<td>COLA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Year 3 - With Market Adjustment</td>
<td>4,679.45</td>
<td>4,919.28</td>
<td>5,171.26</td>
<td>5,435.43</td>
<td>5,714.20</td>
<td>6,007.58</td>
</tr>
</tbody>
</table>

**Police Services Manager**

<table>
<thead>
<tr>
<th></th>
<th>6,618.78</th>
<th>6,958.44</th>
<th>7,315.44</th>
<th>7,689.78</th>
<th>8,083.50</th>
<th>8,498.64</th>
</tr>
</thead>
<tbody>
<tr>
<td>COLA year 1 (6%)</td>
<td>397.13</td>
<td>417.51</td>
<td>438.93</td>
<td>461.39</td>
<td>485.01</td>
<td>509.92</td>
</tr>
<tr>
<td>MA year 1 (4%)</td>
<td>264.75</td>
<td>278.34</td>
<td>292.62</td>
<td>307.59</td>
<td>323.34</td>
<td>339.95</td>
</tr>
<tr>
<td>Year 1 - With Market Adjustment</td>
<td>7,280.66</td>
<td>7,654.28</td>
<td>8,046.98</td>
<td>8,458.76</td>
<td>8,891.85</td>
<td>9,348.50</td>
</tr>
<tr>
<td>COLA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 2 (2.7%)</td>
<td>178.71</td>
<td>187.88</td>
<td>197.52</td>
<td>207.62</td>
<td>218.25</td>
<td>229.46</td>
</tr>
<tr>
<td>Year 2 - With Market Adjustment</td>
<td>7,459.37</td>
<td>7,842.16</td>
<td>8,244.50</td>
<td>8,666.38</td>
<td>9,110.10</td>
<td>9,577.97</td>
</tr>
<tr>
<td>COLA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Position</td>
<td>Year 1 - With Market Adjustment</td>
<td>Year 2 - With Market Adjustment</td>
<td>Year 3 - With Market Adjustment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------------------------</td>
<td>---------------------------------</td>
<td>---------------------------------</td>
<td>---------------------------------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA year 3 (0%)</td>
<td>7,459.37 7,842.16 8,244.50 8,666.38 9,110.10 9,577.97</td>
<td>6,496.22 6,829.38 7,178.90 7,547.27 7,933.24 8,340.59</td>
<td>6,726.54 7,071.52 7,433.42 7,814.85 8,214.51 8,636.30</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior Administrative Analyst</td>
<td>5,905.65 6,208.53 6,528.27 6,861.15 7,212.04 7,582.35</td>
<td>354.34 372.51 391.58 411.67 432.72 454.94</td>
<td>236.23 248.34 261.05 274.45 288.48 303.29</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLA year 1 (6%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA year 1 (4%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 1 - With Market Adjustment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLA year 2 (0%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA year 2 (3.9%)</td>
<td>230.32 242.13 254.52 267.58 281.27 295.71</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 2 - With Market Adjustment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLA year 3 (0%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA year 3 (0%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 3 - With Market Adjustment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior Economic Development Analyst</td>
<td>6,008.95 6,316.36 6,641.05 6,980.70 7,338.78 7,714.12</td>
<td>360.54 378.98 398.46 418.84 440.33 462.85</td>
<td>240.36 252.65 265.64 279.23 293.55 308.56</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLA year 1 (6%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA year 1 (4%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 1 - With Market Adjustment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLA year 2 (0%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA year 2 (5.3%)</td>
<td>318.47 334.77 351.98 369.98 388.96 408.85</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 2 - With Market Adjustment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLA year 3 (0%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA year 3 (0%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 3 - With Market Adjustment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supervising Mechanic</td>
<td>4,856.62 5,105.92 5,367.95 5,642.71 5,932.33 6,235.74</td>
<td>291.40 306.36 322.08 338.56 355.94 374.14</td>
<td>194.26 204.24 214.72 225.71 237.29 249.43</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLA year 1 (6%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA year 1 (4%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CITY OF STOCKTON
### MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
Term: July 1, 2016 – June 30, 2019

<table>
<thead>
<tr>
<th>Year 1 - With Market Adjustment</th>
<th>5,342.28</th>
<th>5,616.51</th>
<th>5,904.75</th>
<th>6,206.98</th>
<th>6,525.56</th>
<th>6,859.31</th>
</tr>
</thead>
<tbody>
<tr>
<td>COLA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 2 (.3%)</td>
<td>14.57</td>
<td>15.32</td>
<td>16.10</td>
<td>16.93</td>
<td>17.80</td>
<td>18.71</td>
</tr>
<tr>
<td>Year 2 - With Market Adjustment</td>
<td>5,356.85</td>
<td>5,631.83</td>
<td>5,920.85</td>
<td>6,223.91</td>
<td>6,543.36</td>
<td>6,878.02</td>
</tr>
<tr>
<td>COLA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Year 3 - With Market Adjustment</td>
<td>5,356.85</td>
<td>5,631.83</td>
<td>5,920.85</td>
<td>6,223.91</td>
<td>6,543.36</td>
<td>6,878.02</td>
</tr>
</tbody>
</table>

**Supervising Real Property Agent**

<table>
<thead>
<tr>
<th>Year 1 - With Market Adjustment</th>
<th>6,784.25</th>
<th>7,132.40</th>
<th>7,498.33</th>
<th>7,882.03</th>
<th>8,285.59</th>
<th>8,711.11</th>
</tr>
</thead>
<tbody>
<tr>
<td>COLA year 1 (6%)</td>
<td>407.06</td>
<td>427.94</td>
<td>449.90</td>
<td>472.92</td>
<td>497.14</td>
<td>522.67</td>
</tr>
<tr>
<td>MA year 1 (4%)</td>
<td>271.37</td>
<td>285.30</td>
<td>299.93</td>
<td>315.28</td>
<td>331.42</td>
<td>348.44</td>
</tr>
<tr>
<td>Year 1 - With Market Adjustment</td>
<td>7,462.68</td>
<td>7,845.64</td>
<td>8,248.16</td>
<td>8,670.23</td>
<td>9,114.15</td>
<td>9,582.22</td>
</tr>
<tr>
<td>COLA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 2 (.5%)</td>
<td>33.92</td>
<td>35.66</td>
<td>37.49</td>
<td>39.41</td>
<td>41.43</td>
<td>43.56</td>
</tr>
<tr>
<td>Year 2 - With Market Adjustment</td>
<td>7,496.60</td>
<td>7,881.30</td>
<td>8,285.65</td>
<td>8,709.64</td>
<td>9,155.58</td>
<td>9,625.78</td>
</tr>
<tr>
<td>COLA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Year 3 - With Market Adjustment</td>
<td>7,496.60</td>
<td>7,881.30</td>
<td>8,285.65</td>
<td>8,709.64</td>
<td>9,155.58</td>
<td>9,625.78</td>
</tr>
</tbody>
</table>

**Engineering Services Manager**

<table>
<thead>
<tr>
<th>Year 1 - With Market Adjustment</th>
<th>8,519.41</th>
<th>8,955.79</th>
<th>9,414.25</th>
<th>9,896.90</th>
<th>10,403.73</th>
<th>10,929.49</th>
</tr>
</thead>
<tbody>
<tr>
<td>COLA year 1 (6%)</td>
<td>511.16</td>
<td>537.35</td>
<td>564.86</td>
<td>593.81</td>
<td>624.22</td>
<td>655.77</td>
</tr>
<tr>
<td>MA year 1 (1.3%)</td>
<td>110.75</td>
<td>116.43</td>
<td>122.39</td>
<td>128.66</td>
<td>135.25</td>
<td>142.08</td>
</tr>
<tr>
<td>Year 1 - With Market Adjustment</td>
<td>9,141.33</td>
<td>9,609.56</td>
<td>10,101.49</td>
<td>10,619.37</td>
<td>11,163.20</td>
<td>11,727.34</td>
</tr>
<tr>
<td>COLA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Year 2 - With Market Adjustment</td>
<td>9,141.33</td>
<td>9,609.56</td>
<td>10,101.49</td>
<td>10,619.37</td>
<td>11,163.20</td>
<td>11,727.34</td>
</tr>
<tr>
<td>COLA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
## MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
### Term: July 1, 2016 – June 30, 2019

<table>
<thead>
<tr>
<th>Year 3 - With Market Adjustment</th>
<th>9,141.33</th>
<th>9,609.56</th>
<th>10,101.49</th>
<th>10,619.37</th>
<th>11,163.20</th>
<th>11,727.34</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal Civil Engineer</td>
<td>7,992.85</td>
<td>8,402.69</td>
<td>8,833.43</td>
<td>9,286.13</td>
<td>9,761.84</td>
<td>10,262.63</td>
</tr>
<tr>
<td>COLA year 1 (6%)</td>
<td>479.57</td>
<td>504.16</td>
<td>530.01</td>
<td>557.17</td>
<td>585.71</td>
<td>615.76</td>
</tr>
<tr>
<td>MA year 1 (1.3%)</td>
<td>103.91</td>
<td>109.23</td>
<td>114.83</td>
<td>120.72</td>
<td>126.90</td>
<td>133.41</td>
</tr>
<tr>
<td>Year 1 - With Market Adjustment</td>
<td>8,576.33</td>
<td>9,016.09</td>
<td>9,478.27</td>
<td>9,964.02</td>
<td>10,474.45</td>
<td>11,011.80</td>
</tr>
<tr>
<td>COLA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Year 2 - With Market Adjustment</td>
<td>8,576.33</td>
<td>9,016.09</td>
<td>9,478.27</td>
<td>9,964.02</td>
<td>10,474.45</td>
<td>11,011.80</td>
</tr>
<tr>
<td>COLA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Year 3 - With Market Adjustment</td>
<td>8,576.33</td>
<td>9,016.09</td>
<td>9,478.27</td>
<td>9,964.02</td>
<td>10,474.45</td>
<td>11,011.80</td>
</tr>
<tr>
<td>Solid Waste Manager</td>
<td>6,784.25</td>
<td>7,132.40</td>
<td>7,498.33</td>
<td>7,882.03</td>
<td>8,285.59</td>
<td>8,711.11</td>
</tr>
<tr>
<td>COLA year 1 (6%)</td>
<td>407.06</td>
<td>427.94</td>
<td>449.90</td>
<td>472.92</td>
<td>497.14</td>
<td>522.67</td>
</tr>
<tr>
<td>MA year 1 (0.1%)</td>
<td>6.78</td>
<td>7.13</td>
<td>7.50</td>
<td>7.88</td>
<td>8.29</td>
<td>8.71</td>
</tr>
<tr>
<td>Year 1 - With Market Adjustment</td>
<td>7,198.09</td>
<td>7,567.48</td>
<td>7,955.73</td>
<td>8,362.83</td>
<td>8,791.01</td>
<td>9,242.49</td>
</tr>
<tr>
<td>COLA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Year 2 - With Market Adjustment</td>
<td>7,198.09</td>
<td>7,567.48</td>
<td>7,955.73</td>
<td>8,362.83</td>
<td>8,791.01</td>
<td>9,242.49</td>
</tr>
<tr>
<td>COLA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Year 3 - With Market Adjustment</td>
<td>7,198.09</td>
<td>7,567.48</td>
<td>7,955.73</td>
<td>8,362.83</td>
<td>8,791.01</td>
<td>9,242.49</td>
</tr>
<tr>
<td>Assistant City Traffic Engineer</td>
<td>7,284.00</td>
<td>7,657.24</td>
<td>8,049.31</td>
<td>8,462.28</td>
<td>8,895.11</td>
<td>9,350.95</td>
</tr>
<tr>
<td>COLA year 1 (6%)</td>
<td>437.04</td>
<td>459.43</td>
<td>482.96</td>
<td>507.74</td>
<td>533.71</td>
<td>561.06</td>
</tr>
<tr>
<td>MA year 1 (0.1%)</td>
<td>7.28</td>
<td>7.66</td>
<td>8.05</td>
<td>8.46</td>
<td>8.90</td>
<td>9.35</td>
</tr>
<tr>
<td>Year 1 - With Market Adjustment</td>
<td>7,728.32</td>
<td>8,124.33</td>
<td>8,540.32</td>
<td>8,978.48</td>
<td>9,437.71</td>
<td>9,921.36</td>
</tr>
</tbody>
</table>
## MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU

**Term:** July 1, 2016 – June 30, 2019

<table>
<thead>
<tr>
<th></th>
<th>COLA year 2 (0%)</th>
<th>MA year 2 (0%)</th>
<th>Year 2 - With Market Adjustment</th>
<th>COLA year 3 (0%)</th>
<th>MA year 3 (0%)</th>
<th>Year 3 - With Market Adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COLA year 2 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>7,728.32</td>
<td>8,124.33</td>
<td>8,540.32</td>
<td>8,978.48</td>
</tr>
<tr>
<td><strong>MA year 2 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>9,437.71</td>
<td>9,921.36</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Year 2 - With Market Adjustment</strong></td>
<td>7,728.32</td>
<td>8,124.33</td>
<td>8,540.32</td>
<td>8,978.48</td>
<td>9,437.71</td>
<td>9,921.36</td>
</tr>
<tr>
<td><strong>COLA year 3 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td></td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>MA year 3 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td></td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Year 3 - With Market Adjustment</strong></td>
<td>7,728.32</td>
<td>8,124.33</td>
<td>8,540.32</td>
<td>8,978.48</td>
<td>9,437.71</td>
<td>9,921.36</td>
</tr>
<tr>
<td><strong>Payroll Supervisor</strong></td>
<td>5,007.83</td>
<td>5,271.40</td>
<td>5,548.84</td>
<td>5,840.89</td>
<td>6,148.31</td>
<td>6,471.90</td>
</tr>
<tr>
<td><strong>COLA year 1 (6%)</strong></td>
<td>300.47</td>
<td>316.28</td>
<td>332.93</td>
<td>350.45</td>
<td>368.90</td>
<td>388.31</td>
</tr>
<tr>
<td><strong>MA year 1 (1.8%)</strong></td>
<td>90.14</td>
<td>94.98</td>
<td>99.88</td>
<td>105.14</td>
<td>110.67</td>
<td>116.49</td>
</tr>
<tr>
<td><strong>Year 1 - With Market Adjustment</strong></td>
<td>5,398.44</td>
<td>5,682.57</td>
<td>5,981.65</td>
<td>6,296.48</td>
<td>6,627.88</td>
<td>6,976.71</td>
</tr>
<tr>
<td><strong>COLA year 2 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>MA year 2 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Year 2 - With Market Adjustment</strong></td>
<td>5,398.44</td>
<td>5,682.57</td>
<td>5,981.65</td>
<td>6,296.48</td>
<td>6,627.88</td>
<td>6,976.71</td>
</tr>
<tr>
<td><strong>COLA year 3 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>MA year 3 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Year 3 - With Market Adjustment</strong></td>
<td>5,398.44</td>
<td>5,682.57</td>
<td>5,981.65</td>
<td>6,296.48</td>
<td>6,627.88</td>
<td>6,976.71</td>
</tr>
<tr>
<td><strong>Plan Check Engineer</strong></td>
<td>6,366.81</td>
<td>6,693.07</td>
<td>7,036.33</td>
<td>7,396.59</td>
<td>7,774.92</td>
<td>8,173.44</td>
</tr>
<tr>
<td><strong>COLA year 1 (6%)</strong></td>
<td>382.01</td>
<td>401.58</td>
<td>422.18</td>
<td>443.40</td>
<td>466.50</td>
<td>490.41</td>
</tr>
<tr>
<td><strong>MA year 1 (2.2%)</strong></td>
<td>140.07</td>
<td>147.25</td>
<td>154.80</td>
<td>162.72</td>
<td>171.05</td>
<td>179.82</td>
</tr>
<tr>
<td><strong>Year 1 - With Market Adjustment</strong></td>
<td>6,888.89</td>
<td>7,241.90</td>
<td>7,613.31</td>
<td>8,003.11</td>
<td>8,412.46</td>
<td>8,843.66</td>
</tr>
<tr>
<td><strong>COLA year 2 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>MA year 2 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Year 2 - With Market Adjustment</strong></td>
<td>6,888.89</td>
<td>7,241.90</td>
<td>7,613.31</td>
<td>8,003.11</td>
<td>8,412.46</td>
<td>8,843.66</td>
</tr>
<tr>
<td><strong>COLA year 3 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>MA year 3 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Year 3 - With Market Adjustment</strong></td>
<td>6,888.89</td>
<td>7,241.90</td>
<td>7,613.31</td>
<td>8,003.11</td>
<td>8,412.46</td>
<td>8,843.66</td>
</tr>
</tbody>
</table>

**CITY OF STOCKTON**
### MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU
**Term:** July 1, 2016 – June 30, 2019

<table>
<thead>
<tr>
<th>Position</th>
<th>Salary</th>
<th>Salary</th>
<th>Salary</th>
<th>Salary</th>
<th>Salary</th>
<th>Salary</th>
<th>Salary</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Civil Engineer</td>
<td>7,284.00</td>
<td>7,657.24</td>
<td>8,049.31</td>
<td>8,462.28</td>
<td>8,895.11</td>
<td>9,350.95</td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLA year 1 (6%)</td>
<td>437.04</td>
<td>459.43</td>
<td>482.96</td>
<td>507.74</td>
<td>533.71</td>
<td>561.06</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA year 1 (0.1%)</td>
<td>7.28</td>
<td>7.66</td>
<td>8.05</td>
<td>8.46</td>
<td>8.90</td>
<td>9.35</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 1 - With Market Adjustment</td>
<td>7,728.32</td>
<td>8,124.33</td>
<td>8,540.32</td>
<td>8,978.48</td>
<td>9,437.71</td>
<td>9,921.36</td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 2 - With Market Adjustment</td>
<td>7,728.32</td>
<td>8,124.33</td>
<td>8,540.32</td>
<td>8,978.48</td>
<td>9,437.71</td>
<td>9,921.36</td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 3 - With Market Adjustment</td>
<td>7,728.32</td>
<td>8,124.33</td>
<td>8,540.32</td>
<td>8,978.48</td>
<td>9,437.71</td>
<td>9,921.36</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior Community Service Officer</td>
<td>3,959.31</td>
<td>4,162.14</td>
<td>4,375.42</td>
<td>4,599.16</td>
<td>4,834.39</td>
<td>5,082.18</td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLA year 1 (6%)</td>
<td>237.56</td>
<td>249.73</td>
<td>262.53</td>
<td>275.95</td>
<td>290.06</td>
<td>304.93</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA year 1 (1.9%)</td>
<td>75.23</td>
<td>79.08</td>
<td>83.13</td>
<td>87.38</td>
<td>91.85</td>
<td>96.56</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 1 - With Market Adjustment</td>
<td>4,272.10</td>
<td>4,490.95</td>
<td>4,721.08</td>
<td>4,962.49</td>
<td>5,216.31</td>
<td>5,483.67</td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 2 - With Market Adjustment</td>
<td>4,272.10</td>
<td>4,490.95</td>
<td>4,721.08</td>
<td>4,962.49</td>
<td>5,216.31</td>
<td>5,483.67</td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 3 - With Market Adjustment</td>
<td>4,272.10</td>
<td>4,490.95</td>
<td>4,721.08</td>
<td>4,962.49</td>
<td>5,216.31</td>
<td>5,483.67</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior Planner</td>
<td>6,139.18</td>
<td>6,453.88</td>
<td>6,784.25</td>
<td>7,132.40</td>
<td>7,498.33</td>
<td>7,862.03</td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLA year 1 (6%)</td>
<td>368.35</td>
<td>387.23</td>
<td>407.06</td>
<td>427.94</td>
<td>449.90</td>
<td>472.92</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MA year 1 (2.4%)</td>
<td>147.34</td>
<td>154.89</td>
<td>162.82</td>
<td>171.18</td>
<td>179.96</td>
<td>189.17</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 1 - With Market Adjustment</td>
<td>6,654.87</td>
<td>6,996.01</td>
<td>7,354.13</td>
<td>7,731.52</td>
<td>8,128.19</td>
<td>8,544.12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>COLA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**CITY OF STOCKTON** 60
### MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU

**Term:** July 1, 2016 – June 30, 2019

<table>
<thead>
<tr>
<th></th>
<th>1st Year</th>
<th>2nd Year</th>
<th>3rd Year</th>
<th>4th Year</th>
<th>5th Year</th>
<th>6th Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MA year 2 (0%)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Year 2 - With Market Adjustment</strong></td>
<td>6,654.87</td>
<td>6,996.01</td>
<td>7,354.13</td>
<td>7,731.52</td>
<td>8,128.19</td>
<td>8,544.12</td>
</tr>
<tr>
<td><strong>COLA year 3 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>MA year 3 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Year 3 - With Market Adjustment</strong></td>
<td>6,654.87</td>
<td>6,996.01</td>
<td>7,354.13</td>
<td>7,731.52</td>
<td>8,128.19</td>
<td>8,544.12</td>
</tr>
<tr>
<td><strong>Supervising Accountant</strong></td>
<td>5,949.71</td>
<td>6,254.66</td>
<td>6,575.60</td>
<td>6,912.54</td>
<td>7,266.54</td>
<td>7,638.67</td>
</tr>
<tr>
<td><strong>COLA year 1 (6%)</strong></td>
<td>356.98</td>
<td>375.28</td>
<td>394.54</td>
<td>414.75</td>
<td>435.99</td>
<td>458.32</td>
</tr>
<tr>
<td><strong>MA year 1 (2.8%)</strong></td>
<td>166.59</td>
<td>175.13</td>
<td>184.12</td>
<td>193.55</td>
<td>203.45</td>
<td>213.88</td>
</tr>
<tr>
<td><strong>Year 1 - With Market Adjustment</strong></td>
<td>6,473.28</td>
<td>6,805.07</td>
<td>7,154.25</td>
<td>7,520.84</td>
<td>7,906.00</td>
<td>8,310.87</td>
</tr>
<tr>
<td><strong>COLA year 2 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>MA year 2 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Year 2 - With Market Adjustment</strong></td>
<td>6,473.28</td>
<td>6,805.07</td>
<td>7,154.25</td>
<td>7,520.84</td>
<td>7,906.00</td>
<td>8,310.87</td>
</tr>
<tr>
<td><strong>COLA year 3 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>MA year 3 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Year 3 - With Market Adjustment</strong></td>
<td>6,473.28</td>
<td>6,805.07</td>
<td>7,154.25</td>
<td>7,520.84</td>
<td>7,906.00</td>
<td>8,310.87</td>
</tr>
<tr>
<td><strong>Supervising Police Records Assistant</strong></td>
<td>4,265.69</td>
<td>4,485.20</td>
<td>4,715.21</td>
<td>4,956.72</td>
<td>5,210.77</td>
<td>5,478.42</td>
</tr>
<tr>
<td><strong>COLA year 1 (6%)</strong></td>
<td>256.00</td>
<td>269.11</td>
<td>282.91</td>
<td>297.40</td>
<td>312.65</td>
<td>328.71</td>
</tr>
<tr>
<td><strong>MA year 1 (1.4%)</strong></td>
<td>59.73</td>
<td>62.79</td>
<td>66.01</td>
<td>69.39</td>
<td>72.95</td>
<td>76.70</td>
</tr>
<tr>
<td><strong>Year 1 - With Market Adjustment</strong></td>
<td>4,582.43</td>
<td>4,817.10</td>
<td>5,064.14</td>
<td>5,323.52</td>
<td>5,596.37</td>
<td>5,883.82</td>
</tr>
<tr>
<td><strong>COLA year 2 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>MA year 2 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Year 2 - With Market Adjustment</strong></td>
<td>4,582.43</td>
<td>4,817.10</td>
<td>5,064.14</td>
<td>5,323.52</td>
<td>5,596.37</td>
<td>5,883.82</td>
</tr>
<tr>
<td><strong>COLA year 3 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>MA year 3 (0%)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Year 3 - With Market Adjustment</strong></td>
<td>4,582.43</td>
<td>4,817.10</td>
<td>5,064.14</td>
<td>5,323.52</td>
<td>5,596.37</td>
<td>5,883.82</td>
</tr>
</tbody>
</table>
### MID-MANAGEMENT/SUPERVISORY LEVEL (B&C) SUCCESSOR MOU

**Term:** July 1, 2016 – June 30, 2019

<table>
<thead>
<tr>
<th>Role</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supervising Public Works Inspector</td>
<td>5,647.36</td>
<td>5,937.73</td>
<td>6,241.71</td>
</tr>
<tr>
<td>COLA year 1 (6%)</td>
<td>338.84</td>
<td>356.26</td>
<td>374.50</td>
</tr>
<tr>
<td>MA year 1 (0.4%)</td>
<td>22.59</td>
<td>23.75</td>
<td>24.97</td>
</tr>
<tr>
<td>Year 1 - With Market Adjustment</td>
<td>6,008.79</td>
<td>6,317.74</td>
<td>6,641.18</td>
</tr>
<tr>
<td>COLA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 2 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Year 2 - With Market Adjustment</td>
<td>6,008.79</td>
<td>6,317.74</td>
<td>6,641.18</td>
</tr>
<tr>
<td>COLA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MA year 3 (0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Year 3 - With Market Adjustment</td>
<td>6,008.79</td>
<td>6,317.74</td>
<td>6,641.18</td>
</tr>
</tbody>
</table>
AMENDMENT TO THE
MEMORANDUM OF UNDERSTANDING BETWEEN THE
CITY OF STOCKTON AND THE
MID-MANAGEMENT/SUPERVISORY LEVEL UNIT
Amendment to the July 1, 2016 - June 30, 2019 MOU

WHEREAS, The City of Stockton (the "City") and the Mid-
Management/Supervisory Level Unit (B&C) are parties to a Memorandum of
Understanding ("MOU") covering the period of July 1, 2016 through June 30, 2019.

WHEREAS, The City and B&C agree that a provision for "Y" rated salary shall be
included in the MOU; and

WHEREAS, all other terms and conditions of the MOU including the relative
appendices will remain in effect, the parties hereto agree that the following section of the
MOU is hereby amended and shall read as follows:

Section 15 Salary Plan

15.14 "Y" Rate

When an employee's classification is changed to a lower paid classification
as the result of a classification study or other action, the employee may be
placed on a "Y" rate. A "Y" rate means that the monthly compensation for
the employee will remain in effect until such time as further changes in the
pay range of the new classification exceeds the "Y" rate.

All other terms and conditions set forth in the MOU not specifically changed by this
Amendment shall remain in full force and effect.
Amendment to the Memorandum of Understanding between the City of Stockton and the Mid-Management/Supervisory Level Unit

Page 2 of 2

IN WITNESS WHEREOF, this Amendment has been attested to by the City Clerk, the City Seal affixed hereto, and the document subscribed to by the City of Stockton Employee Relations Officer and the duly authorized Representatives for the Mid-Management/Supervisory Level Unit on the 29 day of June 2017.

MID-MANAGEMENT/SUPERVISORY LEVEL UNIT

By: [Signature]
Its: President

Approved as to form:
Goyette & Associates, Inc.

By: [Signature]
Its: Legal Counsel or Labor Representative

CITY OF STOCKTON, a Municipal Corporation

APPROVED AS TO FORM:

By: [Signature]
KURT O. WILSON
City Manager

By: [Signature]
DEANNA L. SOLINA, ESQ.
Director of Human Resources
Employee Relations Officer

Approved as to form:

John Luebberke, City Attorney

By: [Signature]
MARCI ARREDONDO
Deputy City Attorney

ATTEST:
CITY CLERK

By: [Signature]
BONNIE PAIGE
City Clerk
MEMORANDUM

May 30, 2017

TO: KURT O. WILSON, City Manager
    BONNIE PAIGE, City Clerk
    MARCI ARREDONDO, Deputy City Attorney

FROM: DEANNA L. SOLINA, ESQ., Director of Human Resources

SUBJECT: AMENDMENT TO UNREPRESENTED COMPENSATION PLAN AND MID-MANAGEMENT/SUPERVISORY LEVEL UNIT (B&C) MEMORANDUM OF UNDERSTANDING TO INCLUDE A “Y” RATE PROVISION

Pursuant to the attached memorandum dated April 17, 2017, enclosed for final approval are the “Y” rate amendments to the Unrepresented Management/Confidential and Law Employees’ Compensation Plan and Memorandum of Understanding for the Mid-Management/Supervisory Level Unit (B&C).

DEANNA L. SOLINA, ESQ.
DIRECTOR OF HUMAN RESOURCES

DS: svs

Enclosures:
April 17, 2017 Memorandum
Contract Routing Form and Amendment to the Unrepresented Management/Confidential and Law Employees’ Compensation Plan
Contract Routing Form and Amendment to B&C MOU – “Y” Rate Language

cc: Paul Loehr, Assistant Director of Human Resources
CONTRACT ROUTING FORM

Contract Number: 2016-06-21-1212-05 W & 1st Amendment
(For Clerk's Use)

CONTRACT TYPE (select one)
- Original
- Amendment/Renewal/Change Order
- Grant
- Subdivision Agreement
- Other

CONTRACT INFORMATION
- Contract Amount: $
- Contract Title: Amendment to B&C MOU
- Vendor/Other Party: B&C / Mid-Management / Supervisory Level
- Contract Start Date: 07/01/2016
- Contract End Date: 06/30/2019
- Contract Term: 3 years

COUNCIL APPROVAL REQUIRED? Yes No (provide account # if no)
- Council approval required for contracts over $75,000 for FISCAL YEAR: 2016-17
- Motion/Resolution/Ordinance No: Must be Attached

REQUIRED DOCUMENTS (The following documents shall be submitted with the signed contract when required):
- Business License Required? Yes No
- Business License No.
- Bonds Required? Yes No
- Insurance Required? Yes No
- Notary Required? Yes No
- Recordation Required? Yes No

Routing Order

1. DEPARTMENT: Human Resources

DEPARTMENT HEAD APPROVAL
- Project Mgr: Stephanie Van Steyn
- ext: 8385
- Staff:
- Forwarded to: Marci Arredondo
- ext: 202917
- by: C. Hart

VENDOR/OTHER PARTY
- Signed () originals on:
- Forwarded to:
- by:

RISK SERVICES
- Insurance approved on:
- by:
- Bonds approved on:
- by:
- Forwarded to:
- by:
- RM #:

CITY ATTORNEY
- Approved as to Form and Content on: 5/30/17
- Forwarded to: City Manager
- by: C. Hart

CITY MANAGER
- Signed by City Manager on: 5/30/17
- Forwarded to: Clerk
- by: C. Hart

CITY CLERK
- City Clerk attested on: 10/29/17
- Returned (2) original(s) to dept. on: 10/29/17
- Retained (1) original(s) for City's file. Hard Copy on file? Yes No
- OB #: 2029308

ORIGINATING DEPARTMENT: Human Resources

Requisition No.

Copy of contract to be retained by department. Original on file in the Clerk's office.

PURCHASING: Purchase Order No. PUR No.