AGENDA ITEM I-2a

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Approving One-Time 2014 Adjustments to Statement of Benefits with Lodi Police Mid-Management Organization and Appropriating Funds ($96,290)

MEETING DATE: March 5, 2014

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Adopt resolution approving one-time 2014 adjustments to Statement of Benefits with Lodi Police Mid-Management Organization and appropriating funds.

BACKGROUND INFORMATION: Staff and the Lodi Police Mid-Management Organization have reached a tentative agreement on their 2014 Memorandum of Understanding (MOU), subject to the approval of Council. The base compensation concept is to pay a base $2,300 per employee benefit on a one-time, non-PERS-able basis in the 2014 MOU year as a partial restoration of past concessions that helped the City through the recent recession. Additionally, staff is recommending approval of an increase in the City-paid medical cap to the January 1, 2014 rate of the lowest cost HMO offered by CalPERS in the Lodi geographical area. In order to bring Police Mid-Management closer as a percentage of salary to the previously approved MOUs, staff is also recommending a one-time, non-PERS-able additional uniform allowance payment equal to one percent of employee's base salary to all members of this bargaining group. Finally, staff is recommending greater flexibility in the timing of represented employees' ability to cash out certain leave balances.

The medical cap proposal is defined in detail below and is to be effective January 1, 2014:

	Current	Proposed	Difference
Single	$610.44	$657.33	$46.80
Employee + 1	$1,220.88	$1,314.66	$93.76
Family	$1,587.14	$1,709.06	$121.92

A redline strikeout version of the MOU is attached for Council review and approval. The redline version reflects several housekeeping items, including changes mandated by the recent pension reform legislation.

Lodi's employees have agreed to voluntary decreases in total compensation in every year from 2009 through 2012. When the 2012 MOUs expired, Lodi's employees agreed to permanent reductions in total compensation of 9 percent in safety and 7percent in miscellaneous. These voluntary employee reductions have allowed the City to survive the great recession, stabilize its weak reserve and perform needed capital improvements. During this same period, the cost of living has increased by 11.8 percent (San Francisco-Oakland-San Jose CPI-U).

APPROVED: _____
Stephen Schwabauer, Interim City Manager

The additional compensation contemplated in these agreements is structured as a one-time payment. While some have characterized the package as a bonus, that is not the intent of the one-time structure. Increases in base pay come with a total employment cost multiplier. Overtime costs and retirement costs go up with adjustments to base pay. Given PERS projected increases, staff structured these contracts on a one-time basis to avoid expanding on those costs. While other local governmental employers have agreed to modest pay scale adjustments, Staff believes Lodi's proposed one-time structure is the more fiscally sound approach in the current governmental economic climate.

Lodi certainly faces funding challenges ahead and must plan for them. It also faces continued fiscal stress to a work force that contributed significantly to addressing the fiscal impact of the Great Recession. Although the $800,000 surplus over our reserve target could certainly be invested in other fashions, the proposed contracts strike an appropriate balance on a one-time basis between those competing interests.

FISCAL IMPACT: Total calendar year cost of the proposal equals $103,600, of which $96,290 is applicable to Fiscal Year 2013/14. The 2013/14 component of this proposal is not included in the 2013/14 budget and will require an appropriation. Funding is available from the General Fund dollars in excess of the 2013/14 reserve target.

FUNDING AVAILABLE: Funding for this item will be provided by funds in excess of the General Fund reserve target established by Council.

Jordan Ayers
Deputy City Manager

Attachment

1. AA# _____
2. JV# _____

CITY OF LODI
APPROPRIATION ADJUSTMENT REQUEST

TO:	Internal Services Dept. - Budget Division		
3. FROM:	**Jordan Ayers**	5. DATE:	**3/5/14**
4. DEPARTMENT/DIVISION:			

6. REQUEST ADJUSTMENT OF APPROPRIATION AS LISTED BELOW

	FUND #	BUS. UNIT #	ACCOUNT #	ACCOUNT TITLE	AMOUNT
A. SOURCE OF FINANCING	**100**		**3205**	**Fund Balance**	**$ 92,290.00**
B. USE OF FINANCING	**100**	**101032**	**7101**	**Regular employee salary**	**$ 92,290.00**

7. REQUEST IS MADE TO FUND THE FOLLOWING PROJECT NOT INCLUDED IN THE CURRENT BUDGET

Please provide a description of the project, the total cost of the project, as well as justification for the requested adjustment. If you need more space, use an additional sheet and attach to this form.

Appropriation increase associated with adjustments to the Police Mid-Management Association MOU adopted on March 5, 2014

If Council has authorized the appropriation adjustment, complete the following:

Meeting Date: _____ Res No: _____ Attach copy of resolution to this form.

Department Head Signature: _____

8. APPROVAL SIGNATURES

Deputy City Manager/Internal Services Manager Date

Submit completed form to the Budget Division with any required documentation.
Final approval will be provided in electronic copy format.

I-2a

1. AA# _____
2. JV# _____

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MEMORANDUM OF UNDERSTANDING

BETWEEN

CITY OF LODI

AND

LODI POLICE MID-MANAGEMENT ORGANIZATION (LPMO)

JANUARY 1, 2014~~2~~ – DECEMBER 31, 2013~~3~~4

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City of Lodi

And

Lodi Police Mid-Management Organization

2014~~2~~-2013~~3~~4

CHAPTER 1 - SALARIES AND OTHER COMPENSATION

ARTICLE I - SALARY AND TERM

1.1 The City of Lodi and the LPMO mutually agree the Lieutenant position is the benchmark position for all members of this bargaining unit for determining employee's compensation.

1.2 Sergeant's salary will be calculated by dividing the Lieutenants salary by 1.20, creating a 20% separation between Lieutenant and Sergeant.

1.3 Captain's salary will be calculated by multiplying the Lieutenants salary by 1.20, creating a 20% separation between Lieutenant and Captain.

1.4 The terms and conditions of this MOU shall continue in effect during the term of this MOU. The City of Lodi and LPMO agree that the term is January 1, 2012~~3~~4 through December 31, 2013~~3~~4.

1.5 The City of Lodi and the LPMO agree to commence negotiations no later than (3) months prior to the expiration of the MOU.

1.6 Although the City is not required to perform or act on a salary survey during the term of this MOU, in the event a salary survey is performed, the City of Lodi and the LPMO agree that the salary survey cities shall be as follows:

*Chico	*Merced	*Tracy
*Clovis	*Modesto	*Turlock
*Davis	*Redding	*Vacaville
*Fairfield	*Roseville	*Visalia
*Manteca	*Stockton	*Woodland

Salary surveys shall include the following areas of compensation:

- Salary

- PERS employee contribution paid by employer
- Health Care Contribution paid by employer
- Education Incentives
- POST Certificate Pay
- Longevity Pay
- Deferred Compensation Contribution

~~1.7 The parties entered into a side letter agreement approved by the City Council on June 1, 2011, the terms of which will continue in effect through the termination date referenced in the side letter agreement.~~

1.7 City shall provide a one-time, non-PERSable payment of $2,300 to each member of this bargaining unit who is employed by the City on the date of approval of this MOU by the City Council. Payment will be made in a lump sum manner along with a regularly scheduled pay check within two pay periods of the approval of this MOU by the City Council.

ARTICLE II - UNIFORM ALLOWANCE

2.1 The City agrees to provide a uniform allowance of $950.00 annually.

2.2 The uniform allowance shall be paid bi-weekly in conjunction with regular pay checks.

2.3 The City agrees to repair or replace uniforms damaged or destroyed on duty unless gross negligence can be shown on the part of the employee. Receipts shall be required prior to reimbursement.

2.4 In addition to the above uniform allowance, City agrees to make a one-time, non-PERSable payment of one percent (1%) of employees' base salary as shown in Schedule A toward the uniform allowance to each member of the bargaining unit who is employed by the City on the date of approval of this MOU by the City Council. Payment will be made in a lump sum manner with a regularly scheduled pay check within two pay periods of approval of this MOU by the City Council. This clause shall sunset on December 31, 2014.

ARTICLE III – BI-LINGUAL PAY

3.1. Employees designated by the Department Head and approved by the City Manager who have passed a bi-lingual proficiency examination administered by the City shall receive a monthly bi-lingual premium of $150.00.

ARTICLE IV – COMPENSATORY TIME

4.1 Employees may accrue compensatory time in lieu of overtime pay. The accrual rate for compensatory time shall be one and one-half hours for each hour of overtime time worked.

4.2 No more than two hundred forty (240) hours of compensatory time may be carried on the books at any time.

4.3 An employee's decision to elect compensatory time instead of overtime pay is irrevocable.

4.4 Upon separation, the employee will be paid at the employee's current hourly rate or the average of the last three years, whichever is higher, for the remaining compensatory balance.

4.5 Bargaining unit members shall be allowed to cash out up to a maximum of 100 hours of earned compensatory time off twice per year in April and October.

ARTICLE V – COURT TIME

5.1 Employees scheduled to make court appearances during off-duty hours, on scheduled days off, or when on graveyard shift, shall be compensated at the rate of time and one-half for actual hours involved in such appearances. In no event shall they be paid for less than four hours.

5.2 Court appearances which are within two hours of the beginning of a shift or within one hour of the end of the shift shall be compensated at the time and one-half rate. Such appearances shall be reported as contiguous shift extensions.

5.3 Cancellation of scheduled appearance must be made at least two hours before said scheduled appearance or the minimum four hours shall be paid.

5.4 Employees who receive a subpoena to appear in court, shall notify their supervisor of the appearance date and time in order to provide the Watch Commander time to review the schedule to determine if rest period time is required, or additional staff will be needed.

ARTICLE VI - LONGEVITY PAY

6.1 After completing ten years of service with the Lodi Police Department, employees shall receive an annual longevity pay in the amount of $1,500 in November of the year following completion of ten years of service and each year thereafter until completing twenty years of service with the Lodi Police Department. Employees who have completed twenty years of service with the Lodi Police Department will receive longevity pay in the amount of $3,000 in November of the year following completion of twenty full years of service and each year thereafter.

For the purposes of this article, all employees who as of October 31st meet the service level requirements (either ten full years or twenty full years from the first day of the month in which they started their employment with the City of Lodi Police Department) shall receive the longevity pay associated with their years of service with the Lodi Police Department.

The incentive in this Article is limited to employees hired prior to ~~the execution of this MOU.~~January 1, 2012.

ARTICLE VII – SPECIAL ASSIGNMENT PAY

7.1 Employees assigned to SWAT or Sergeants assigned to the Detective Bureau or Office of Professional Standards (OPS) shall receive an allowance equal to 4.5% of their normal base pay. It is mutually agreed that assignments to the Detective Bureau or SWAT are at the sole discretion of the Chief of Police. No employee has the right to such assignment. Employees in such positions acknowledge, as does the LPMO, that employees may be transferred or reassigned from their position on a non-punitive basis and that they have no right to appeal from such transfer or reassignment.

ARTICLE VIII – OUT OF CLASS PAY

8.1 Employees in this bargaining unit who are designated by the Chief of Police to work in a higher level classification shall be paid an additional 5% of the employee's regular salary.

ARTICLE IX - CALL BACK PAY

9.1 Officers called to appear for work within two hours of the beginning of a shift, or one hour after the shift, shall receive overtime at the rate of time and one-half. Such appearances shall be reported as contiguous shift extensions. If the appearance begins more than two hours before or more than one hour after the scheduled shift, the employee will be credited a minimum of three hours at the time and one-half rate.

When an officer is ordered back to work on an "as soon as possible" basis and reports within thirty minutes, the officer shall be compensated from the time of the call.

CHAPTER 2 – BENEFITS AND INSURANCES

ARTICLE X – EMPLOYEE ASSISTANCE PROGRAM

10.1 Employees, their spouses, and dependent children are entitled to three (3) free visits per year per family member with a licensed clinical social worker through the Employee Assistance Program provided through the City. This may be supplemented by medical insurance after exhaustion of the three (3) free visits.

ARTICLE XI - DEFERRED COMPENSATION

11.1 Employees may participate in the City's Deferred Compensation Plan

11.2 The City will match up to maximum of 3.0% of gross base salary~~ effective the pay period in which July 1, 2012 falls~~.

ARTICLE XII - FLEXIBLE SPENDING ACCOUNT

12.1 Employees shall have the option of participating in the Flexible Spending Account (Section 125 Plan). Employees may elect to participate in;

a) Premium Conversion
b) Non-reimbursed Health Care
c) Dependent Care Reimbursement

12.2 Elections for the calendar year will be made each December, or if a change in family status occurs. Money not used by the end of each calendar year will be forfeited by the employee.

12.3 The City intends to propose a cafeteria-based benefit program in 201~~2~~4 with an effective date of January 1, 201~~3~~5. This program would incorporate, but not be limited to: medical, vision, dental, chiropractic and life insurance. The above listed terms of this agreement will be reopened for negotiation upon the City's presentation of a cafeteria plan.

The City's proposed cafeteria plan will offer substantially the same or better benefits to those currently received by unit members.

ARTICLE XIII - CHIROPRACTIC

13.1 Chiropractic services may be received by employees and dependents. This benefit allows up to a maximum of 40 visits per calendar year. Co-payments for services are $10.00.

ARTICLE XIV - EDUCATION INCENTIVE

14.1 ~~Effective upon ratification,~~ Education incentives will be available to eligible employees as follows:

Bachelor's Degree: $200.00 per month

Advanced POST: $250.00 per month OR
Supervisory POST: $350.00 per month OR
Management POST: $450.00 per month

POST incentives will be paid based upon the highest level certificate held.

ARTICLE XV - OVERTIME

15.1 The following special provisions for the payment of overtime will apply to Police Sergeants and Police Lieutenants. Employees shall be compensated for overtime at the time and one-half rate for time worked due to emergencies. Emergencies shall be determined by the appropriate department head and include but are not limited to such events as:

- The necessity to cover scheduled shifts;
- Direct supervision of crews assigned to work during normal days off to accommodate the public;
- Break down of equipment and/or systems requiring the presence of the mid-manager in order to restore service.

15.2 Overtime pay shall not be paid for the following:

- Staff meetings
- Special projects
- Conferences and seminars - except as noted below
- Appearances before City Council and commissions,
- Public information presentations,
- Activities involved with the completion of normal activities or programs such as budgets, inventory, annual financial closings, labor negotiations, and recreation programs.

15.3 All overtime must be approved by the department head. Any deviations from these guidelines must be approved in advance by the department head and the City Manager.

15.4 Upon promotion into a Mid-Management position ~~only~~ all previously accrued compensatory time must be paid or used prior to the promotion.

15.5 Police Lieutenants and Sergeants shall be compensated for overtime hours necessitated by attending State mandated training and for work on special events as designated by the Chief of Police or Division Commander.

15.6 The classification of Police Captain is deemed exempt from overtime and is not eligible for overtime pay under this article unless such overtime is required during a declared state of emergency and expenditure is mandated for reimbursement to the City of Lodi.

ARTICLE XVI - RETIREMENT

16.1 The City of Lodi provides retirement benefits through the Public Employees Retirement System. Employees shall receive the following retirement benefits. The following plan is available to employees hired prior to ~~the date of execution of this MOU~~De3cember 22, 2012 and deemed to be "classic" employees by PERS:

Public Safety

3% @ 50 plan

- 1959 Survivors Benefit – Third Level

- Employee shall pay the full employee share of retirement costs (9%) as calculated by PERS in its annual actuarial valuation~~'s 9% paid as noted below~~
- Credit for Unused Sick Leave
- Military Service Credit as Public Service
- Single Highest Year

16.2 For employees hired after December 22, 2012 and deemed to be "classic" employees by PERS~~after the execution date of this MOU~~, the following retirement plan will apply:

Public Safety 3% @ 55 plan

- 1959 Survivor Benefit – Third Level
- Employee shall pay the full employee share of retirement costs (9%) as calculated by PERS in its annual actuarial valuation~~'s 9% paid as noted below~~
- Credit for Unused Sick Leave
- Military Service Credit as Public Service
- Highest Three Year Average

16.3 ~~Employee shall pay the Employee's share of retirement (9%) effective the pay period in which July 1, 2012 falls.~~

16.4 The City agrees to provide the following PERS retirement program and to pay the employer's cost for employees deemed to be "new" employees by PERS under the Public Employee's Pension Reform Act of 2013 (PEPRA):

- 2.7% @ 57 plan
- 1959 Survivor Benefit – Third Level
- Credit for Unused Sick Leave
- Military Service Credit as Public Service
- Highest Three Year Average
- Employee shall pay the full employee share of retirement costs as calculated by PERS in its annual actuarial valuation

ARTICLE XVII - SICK LEAVE CONVERSION

17.1 Employees hired prior to July 1, 1994, after 10 years with the City and only upon retirement, may convert their accumulated sick leave time to medical insurance premiums or cash under the following options:

OPTION #1 - *"Bank"*

The number of accumulated hours shall be reduced by 16-2/3% and the remaining balance converted into days. The days are then multiplied by the current monthly premium being paid by the City for the employee and, if applicable, his/her dependents. Fifty percent of that dollar amount will be placed into a "bank" to be used for medical insurance premiums for the employee, and if applicable, his/her dependents. For each

year of employment over 10 years, 2.5% will be added to the 50% used in determining "bank" amount. Total premiums shall be paid from the Bank until its depletion, at which time the conversion benefit stops.

EXAMPLE:
Lt. John Smith retires with 25 years of service and 1800 hours of unused sick leave:

Sick Leave Hours - 1800 x 16⅔%(reduced per MOU) = 299.99
1800 minus 299.99 = 1500.01
1500.01 divided by 8 (coverage factor) = 187.5
187.50 times 87.5% (% of coverage) = 164.1
164.1 times 694.86(current medical premium) = $114,026.52

Employees may also use their banks money to purchase Dental and/or Vision Insurance at the current premiums until their bank is depleted.

OPTION #2 - *"Conversion"*
The number of accumulated hours shall be multiplied by 50% and converted to days. The City shall pay one month's premium for employee and dependents for each day after conversion. For each year of employment in excess of 10 years, 2.5% shall be added to the 50% before conversion. The amount of premium paid shall be the same as the premium paid by the City at the time of retirement, subject to the cap shown in Section XIX. Any differences created by an increase in premiums must be paid for by the employee.

EXAMPLE:
Lt. John Smith retires with 25 years of service and 1800 hours of unused sick leave:

Sick Leave Hours - 1800 divided by 8 (coverage factor) = 225
225 times 87.5 (% of coverage) = 196.88
196.88 divided by 12(yrs) = 16.4 total years of coverage

OPTION #3 - *"Cash-Out"*
A retiring employee will be able to choose a cash pay-off of accumulated sick leave at the rate of 30% of base pay per hour.

OPTION #4 – *"Service Credit"*
A retiring employee will be able to convert unused sick leave to service credit for Cal PERS retirement purposes.

17.2 Employees hired after July 1, 1994 will not have the option of converting unused sick leave time into medical insurance premiums or cash as referenced in OPTION 1-3. The only option available to these employees is OPTION #4 "Service~~PERS~~ Credit~~REDIT~~".

17.3 In the event an active employee dies before retirement and that employee is vested in the Sick Leave Conversion program (10 years) the surviving dependents have an interest in one-half (1/2) the value of the "bank" as calculated in section 17.1.

17.4 The City shall allow a surviving dependent of a retiree enrolled in the Sick Leave Conversion program to purchase medical insurance at the employee only premium for the same period as if the retiree had not died.

17.5 A retiree or surviving dependent, upon expiration of City-paid coverage, if any, has the option of purchasing at the prevailing rate additional medical insurance for an unlimited amount of time.

17.6 Out of area retirees may receive reimbursement for medical insurance premiums up to the City's liability as specified in Section 17.1; Option #2.

17.7 Only one City of Lodi employee may carry dependent coverage for another City employee, therefore, upon retirement the employee may re-enroll as an individual into the health plan in order to take advantage of the Sick Leave Conversion program.

17.8 A retiree or surviving dependent may purchase dental and vision insurance at the City group rate through the Sick Leave Conversion options.

ARTICLE XVIII - RESERVED

ARTICLE XIX - MEDICAL INSURANCE

19.1 All employees are offered medical insurance for themselves and dependents through CalPERS medical plans. City shall pay 100% of the premium for employee's family category (Family, Employee + 1, Single) for the lowest cost PERS HMO available in Lodi's geographical area (excluding Porac) ~~effective January 1, 2012~~.

~~The City will waive the current employee medical contribution effective the first pay period that begins two weeks after this agreement is approved by Council.~~

If an employee elects not to be covered by medical insurance through the City of Lodi, an additional:

$692.81 per month for Family
$532.92 per month for Employee + 1
$305.22 per month for Single

will be added to either the employee's deferred compensation account or cash. In order to qualify for this provision, proof of group insurance must be provided to the City.

19.2 Effective January 1, 201~~3~~4, ~~-~~City will pay a maximum of the following for each family category:

$~~1,587.14~~1,709.06 for Family
$~~1,220.88~~ 1,314.66for Employee + 1
$~~610.44~~657.33 for Single.

If employee selects a higher cost plan, employee will pay the difference as a payroll deduction.

19.3 LPMO shall allow a maximum of seven (7) City employees to become associate members of LPMO solely to allow access to health plans not otherwise available to non public safety members. Associate memberships shall be allotted on a first-come, first-served basis.

ARTICLE XX - DENTAL INSURANCE

20.1 Employees are provided fully paid family dental insurance.

20.2 Maximum benefits are $1,000 for each family member enrolled into the dental plan, per calendar year. There is a $25 deductible plus co-insurance features.

ARTICLE XXI - VISION INSURANCE

21.1 Employees are provided with family vision care insurance through *Vision Service Plan*. Services and amount of coverage are outlined in the VSP Summary of Benefits.

ARTICLE XXII - LIFE INSURANCE

22.1 Employees are provided with *term life and accidental death/dismemberment* insurance up to $25,000. These benefits decrease after age 70 on a sliding scale, depending on age.

22.2 Employees are provided with $100,000 of *accident insurance* while traveling on City business outside the City limits. Spouses are only covered while accompanying the City employee on City business, or while conducting business on behalf of the City.

ARTICLE XXIII - SURVIVORS MEDICAL BENEFITS

23.1 The City shall pay 100% of the premiums for health and dental benefits described in this MOU for the surviving spouse and any minor children of any member of the LPMO who is killed or dies during the performance of official duties. Premiums will be paid at the current rate in effect at the time of the member's death. Premiums will continue to be paid by the City until such time as the surviving spouse is covered by other insurance or remarries, and for dependent children of the member killed in the line of duty until such time as either:

(1) the children become adults, or

(2) the children are covered under other alternative medical coverage provided by and through the surviving spouse or the person who he/she remarries.

ARTICLE XXIV - TUITION REIMBURSEMENT

24.1 Tuition reimbursement will be provided as stated in the City's current Tuition Reimbursement Policy. The City will not eliminate this policy during the term of this MOU.

CHAPTER 3 - LEAVES

ARTICLE XXV - VACATION LEAVE

25.1 Employees hired prior to July 1, 1994 shall receive the following vacation benefits:

Beginning with:

Date of Hire:	3.08 hours per pay period
6th year	4.62 hours per pay period
12th year	5.23 hours per pay period
15th year	6.16 hours per pay period
21st year	6.47 hours per pay period
22nd year	6.78 hours per pay period
23rd year	7.09 hours per pay period
24th year	7.40 hours per pay period
25th year	7.71 hours per pay period

25.2 Employees hired after July 1, 1994 shall receive the following vacation benefits:

Beginning with:

Date of Hire:	3.08 hours per pay period
6th year	4.62 hours per pay period
12th year	5.23 hours per pay period
15th year/above	6.16 hours per pay period

25.3 Employees promoting into a Mid-Management position will follow the vacation schedule referenced in articles 25.1, or 25.2, depending on their initial employment with the City of Lodi

25.4 Vacation leave shall be used in increments of not less than quarter hours. Employees may accumulate a maximum of twice the employee's annual vacation accrual. If and when the accrual cap is reached, no additional vacation hours will be accumulated until the employee's vacation usage brings the accumulated number of hours under the cap.

ARTICLE XXVI - ADMINISTRATIVE LEAVE

26.1 Employees will be given 80 hours of administrative leave per calendar year, credited in January for purposes of use. Leave shall be taken in increments of not less than quarter hours. Balances must be used prior to December 30 or they will be lost.

26.2 New employees or employees becoming eligible due to a promotion receive administrative leave on a prorated basis, with six point six seven (6.67) hours granted for each full calendar month remaining in the calendar year with a maximum of 80 hours.

26.3 Employees separating mid-year will receive a cash pay out for unused Administrative Leave on a prorated basis in accordance with 26.2. Administrative leave used, but not accrued in accordance with 26.2 shall be repaid to City.

26.4 Employees are eligible to cash out up to 40 hours of their current Administrative Leave balance in any calendar year except in the months of May and June. A request to cash out Administrative Leave must be in writing and submitted to the Finance division.

ARTICLE XXVII - HOLIDAYS

27.1 All employees shall receive 135 hours of floating holidays.

27.2 All employees assigned to a 40 hour work week shall observe fixed holidays as shown:

New Year's Day	-	January 1
Martin Luther King Jr. Day	-	3rd Monday in January
Presidents Day	-	3rd Monday in February
Memorial Day	-	Last Monday in May
Independence Day	-	July 4th
Labor Day	-	1st Monday in September
Thanksgiving Day	-	4th Thursday in November
Day after Thanksgiving	-	Friday following Thanksgiving Day
Last Half of Christmas Eve Day	-	December 24th
Christmas Day	-	December 25th

27.3 Holiday hours shall be taken in increments of not less than quarter hours.

27.4 If holiday time is not used by the end of the calendar year, any remaining hours will be cashed out to the employee in the first pay period in January.

27.5 If hired or separated mid-year, employee shall be credited or debited with fixed holidays remaining plus floating holidays per the following schedule:

Four Floating Holidays:

Month Hired or Separated			Hours added	Hours Subtracted
Jan	Feb	March	40	30
April	May	June	30	20
July	Aug	Sept	20	10

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Oct	Nov	Dec	10	0

ARTICLE XXVIII - SICK LEAVE

28.1 Sick Leave is earned at the rate of 5.54 hours per pay period with no limit on the amount that can be accrued. Sick leave shall be taken in increments of not less than quarter hours.

ARTICLE XXIX – FAMILY AND MEDICAL LEAVE

29.1 The City of Lodi will comply with the requirements of the federal Family and Medical Leave Act of 1993 (FMLA) and the California Family Rights Act of 1993 (CFRA), as defined in California Government Code Sections 12945 et seq. and reflected in the City's Policy and Procedures Manual.

ARTICLE XXX - CATASTROPHIC LEAVE

30.1 Catastrophic leave is available to employees is accordance with the City's current Catastrophic Leave policy..

ARTICLE XXXI - BEREAVEMENT LEAVE

31.1 Bereavement leave is available to employees in accordance with the City's current Bereavement Leave policy.

ARTICLE XXXII – LEAVE OF ABSENCE

32.1 Leave of Absences are available to employees in accordance with the City's current Leave of Absence policy.

CHAPTER 4 - ORGANIZATION/CITY ISSUES

ARTICLE XXXIII - PROBATION

33.1 Employees have a probationary period of one year. During probation, new hires have the same rights and privileges as regular employees, except that:

- City and employee may mutually agree to an extension of the probationary period up to six additional months.
- Employee serves "at will" and rejection during probation cannot be grieved.

New hires and promotional appointments shall be eligible for a merit increase at the completion of probation.

ARTICLE XXXIV - PERSONAL LIABILITY

34.1 Employees shall be indemnified and held harmless by the City against all costs, legal expenses, and liability arising out of decisions made in their capacity for the City of Lodi and/or from any cause of action for property damage, or damages for personal injury, including death, sustained by person(s) as a result of a decision made in their capacity, except that:

A. The City is not required to but may provide for the defense of an action or proceeding brought against an employee or former employee if the City determines that:

1. The act or omissions was not within the scope of their employment; or
2. They acted or failed to act because of actual fraud, corruption, or actual malice; or
3. The defense of the action or proceeding by the City would create a conflict of interest between the City and the employee or former employee.

B. The City is not required to but may pay any claim of judgment for punitive or exemplary damages under the following circumstances:

1. The judgment is based on an act or omission of an employee or former employee acting within the course and scope of their employment as an employee of the City.
2. At the time of the act giving rise to the liability, the employee or former employee acted, or failed to act, in good faith, without actual malice and in the apparent best interests of the City.
3. Payment of the claim of judgment would be in the best interests of the City.

ARTICLE XXXV- GRIEVANCE PROCEDURE

35.1 Disputes involving the following subjects shall be determined by the Grievance Procedures established herein:

A. Interpretation or application of any of the terms of this agreement, including Exhibits thereto, Letter of Agreement, and formal interpretations and clarifications executed by the Association and City.

B. Disputes as to whether a matter is proper subject for the Grievance Procedure.

C. Disputes which may be of a "class action" nature filed on behalf of the Association or the City.

35.2 Class action Grievances shall be submitted in writing from the LPMO's President to the City Manager or vice versa.

35.3STEP ONE

Discussion between the employee, the Association Representative and the Department Head, who will answer within fifteen work days. This step shall be taken within thirty days of the date of the action complained of, or the date the grievant became aware of the incident which is the basis of the grievance.

35.4 STEP TWO

If a grievance is not resolved in Step One, Step Two shall be the presentation of the grievance by the Association Representative, in writing, to the City Manager who shall answer, in writing, within fifteen work days of receipt of the grievance, the City Manager's decision shall be final and binding regarding the City's Administrative Process.

ARTICLE XXXVI - DISCIPLINARY PROCEDURE

36.1 Basis: The City may discipline any employee in City service. Discipline may include discharge, demotion, suspension, reduction in pay, or oral or written reprimand. Only regular employees shall have the right to hearing and appeal as described in this section.

36.2 FLSA Exempt Employees: With respect to employees in classification deemed exempt from the overtime requirements of the Fair Labor Standards Act ("FLSA") disciplinary suspensions pursuant to this policy shall be administered in accordance with the salary basis test under the FLSA's governing regulations.

36.3 Cause: Causes for discipline of any regular employee shall follow the listing of causes noted in the City's Rules for Personnel Administration, as well as the following causes:

A. Discrimination, including harassment, against other employees or members of the public on the basis of race, color, national origin, religious creed, ancestry, sex, sexual preference, marital status, age or physical handicap.
B. Unauthorized possession or use of controlled substances or alcohol on City property and/or at the worksite.

36.4 Persons Authorized to Take Disciplinary Action: Employee discipline may be initiated by the City department head for cause against any employee under his/her supervision. Disciplinary actions in the form of termination or discharge shall be subject to final approval from the City Manager.

36.5 Notice (except in the case of oral or written reprimand): Notice of Intended Disciplinary Action shall be prepared in writing by the department head or designee proposing the discipline and shall be served on the employee in person or by registered or certified

mail. Notice shall be served prior to the action becoming effective; however, where circumstances require immediate removal of the employee from the workplace, notice shall be provided within two (2) working days from the date the employee is removed from the workplace. Employees so removed shall be placed on paid leave pending imposition of discipline. A copy of the Notice of Intended Disciplinary Action shall also be filed with the Human Resources Director. The written Notice of Intended Disciplinary Action shall contain the following information:

1. The specific type of disciplinary action;
2. The effective date of the action;
3. The specific reason(s) or cause(s) for the actions;
4. Notice that the employee may inspect copies of all materials upon which the action is based, and
5. Notice that the employee has the right to respond orally or in writing within ten (10) days to the department head initiating the disciplinary action. No hearing before the City Manager is available to review oral or written reprimands.

An employee who responds orally or in writing to the department head shall be entitled to meet in an informal conference with the department head or designee and shall be given the opportunity to rebut the charges against him/her or to state any mitigating circumstances. In the case of oral or written reprimand, the department head's decision shall be final. In the case of discharge, demotion, suspension, or reduction in pay, the department head or other City designee shall hear and consider the facts presented by the employee and shall thereafter submit a written recommendation to the City Manager to either impose, rescind or modify the proposed disciplinary action. The recommended proposed disciplinary action shall also be served on the employee. The recommendation shall contain:

6. The specific type of disciplinary action;
7. The specific reason(s) or cause(s) for the actions;

36.6 Final Notice of Disciplinary Action: Following review of the department head's recommendation and the determination by the City Manager, the City Manager shall prepare a Final Notice of Disciplinary Action, advising the employee of the action to be taken, its effective date, and the employee's appeal rights.

1. Disciplinary action shall become effective on the date stated in the Final Notice of Disciplinary Action, unless the date is otherwise extended by the City Manager.
2. The City Manager shall file a copy of the Final Notice of Disciplinary Action with the Human Resources Director. The Final Notice of Disciplinary Action shall be delivered personally to the employee or shall be sent by registered or certified mail.

36.7 Appeal of Disciplinary Action: In the event of a demotion, suspension or dismissal, and the affected employee is not satisfied with the decision rendered by the City Manager, the employee may appeal the decision. The employee may appeal disciplinary decisions by filing a written appeal with the Human Resources Director within fifteen (15) work days

following service of the Final Notice of Disciplinary Action. The written appeal shall contain a written reply to the charges against the employee and written request for an appeal hearing. The employee shall submit a copy of the appeal to the City Manager.

36.8 If an employee submits an appeal, the City shall refer the case to a neutral hearing officer selected through the California State Mediation and Conciliation Services to hear the appeal and submit an advisory decision to the City Manager. Selection of the hearing officer shall be made by the parties' mutually selecting a list of 7 neutral hearing officers from the office of the California State Mediation and Conciliation Services. Absent mutual agreement on a name on the list, the parties will strike names from the list for final selection of the hearing officer. The selected hearing officer shall adhere to the following standard of review and hearing procedures:

1. The appeal hearing shall be informal and strict rules of evidence shall not apply.
2. The parties will have the right to present and cross-examine witnesses, issue opening and closing statements, and file written closing briefs. Witness testimony shall be under oath or affirmation.
3. The hearing officer may exclude testimony or evidence which he/she determines irrelevant or unduly repetitious.
4. Attendance at the appeal hearing shall be limited to those determined by the hearing officer to have a direct connection with the appeal. Witnesses normally would be present at the hearing only while testifying and should be permitted to testify only in the presence of the employee or his/her representatives and the City's representatives.
5. The appeal hearing will be held on the City's premises.
6. In conducting the appeal, the hearing officer's authority/jurisdiction shall be limited to reviewing the factual basis supporting the discipline and determining that the factual basis was reached honestly, after a fair, appropriate and procedurally correct investigation and for reasons that were not arbitrary, discriminatory or pretextual. Should the hearing officer, conducting the review specified above, affirm the factual basis for the discipline decision, he/she may not substitute his/her judgment for that of management's as to the level of discipline imposed. In the event the hearing officer finds that the level of discipline is excessive, he/she may submit an advisory opinion concerning what he/she feels would be the appropriate level of discipline to the City Manager. Should the hearing officer not affirm the factual basis for the discipline, the normal remedy will be to remand the matter to the decision level where the error occurred for reevaluation and/or correction consistent with the hearing officer's findings. In such a case, the hearing officer will have the authority to retain jurisdiction over the appeal to ensure compliance with the remand decision.
7. The cost of the hearing officer shall be borne by the City. The parties will share equally the cost of the court reporter and each side will bear their respective costs of representation.

36.9 Any decision of the City Manager shall be final and binding.

36.10 Judicial review of any decision rendered under this section shall be governed by Code of Civil Procedure section 1094.5.

36.11 Notwithstanding anything in this MOU, all discipline under this MOU shall conform to the requirements of the Police Officers Bill of Rights.

Article XXXVII –CITY RIGHTS

37.1 It is further understood and agree between the parties that nothing contained in this MOU shall be construed to waive or reduce any rights of the City, which include but are not limited to , the exclusive rights to:

- Determine the methods, means, and personnel by which government operations are conducted
- Determine the mission of its constituent departments, commissions, and boards
- Set standards of service
- Determine the procedures and standards of selection for employment
- Direct its employees
- Maintain the efficiency of governmental operations
- Determine the methods, means, and personnel by which government operations are conducted
- Take all necessary actions to carry out its mission in emergencies
- Exercise complete control and discretion and the technology of performing its work.

City Rights also include the right to determine the procedures and standards of selection for promotion, to relieve employees from duty because of lack of work or other legitimate reasons, to make and enforce standards of conduct and discipline, and to determine the content of job classifications; provides, however, that nothing herein may be read to extend the term of the MOU nor to supplement negotiations as a means for arriving at terms for a successor MOU.

Article XXXVIII – EMPLOYEE REPRESENTATION

38.1 This Memorandum of Understanding (MOU) is entered into between representatives of the City of Lodi (City) and representatives of the Lodi Police Mid-Management Organization (LPMO).

The parties hereto acknowledge and agree that this MOU constitutes the result of meeting and conferring in good faith as contemplated by Section 3500 et seq., of the Government Code of the State of California, and further acknowledge and agree that all matters upon which the parties reached agreement are set forth herein.

Both parties each certify without reservation that an adequate opportunity has been afforded its bargaining representatives to propose and vigorously advocate all negotiable subject matter_during the course of collective bargaining preparatory to signing this agreement. The City will meet and confer before changing a policy or rule that is subject to meet and confer under the Meyers-Milias-Brown Act (MMBA).

The terms and conditions of this MOU shall continue in effect during the term of this MOU.

The City and the LPMO agree and understand that if any section of the MOU conflicts with the terms and conditions of employment stated in other authorities, such as personnel rules, administrative policy and procedure, city resolutions, or city ordinances, etc. any ambiguity will be resolved in favor of the MOU language. If the MOU is silent on any issue, the applicable document (i.e. policy manual or rules for personnel administration) is controlling. State and Federal laws will be adhered to.

The City agrees to recognize LPMO representatives for the purpose of representing members of the LPMO on all matters relating to the administration of this MOU, and upon the request of an employee, on adverse actions and other matters which may be or are on appeal in accordance with the discipline article of this MOU.

ARTICLE XXXIX - EMPLOYEE RIGHTS

39.1 The City agrees that all disciplinary actions shall be taken in a timely manner, recognizing that imposing discipline, grieving such discipline, investigations, and criminal proceedings may preclude timely action. This process also includes investigations of the complaint, recommending discipline to the office of the Police Chief, and the imposition of discipline.

39.2 The City shall abide by the Public Safety Officers Procedural Bill of Rights (Government Code Section 3300 et seq.), and such is hereby incorporated into this MOU.

39.3 It is understood by both parties that the LPMO, in addition to any other rights herein specified, has the following rights:

1. To represent its members before the City regarding wages, hours, and other terms and conditions or employment
2. To receive timely written notice of changes to or adoption of any rule or regulation directly relating to wages, hours and other terms and conditions of employment.
3. With an employee's written consent, an authorized LPMO representative shall be permitted, upon request, to inspect the employee's official departmental personnel file during normal business hours. Such review shall not interfere with normal business of the Department.

The City agrees to recognize the LPMO representatives for the purpose of representing employees on all matters relating to the administration of this MOU; and, upon the request of an employee on adverse actions and other matters which may be or are on appeal in accordance with Article XXXVI of this MOU.

39.4 The City agrees to provide each represented employee with copies of special orders, general orders, training bulletins, departmental rules and regulations, and a copy of this MOU.

39.5 The City agrees not to interfere or in any way discriminate against an employee for exercising his/her right to belong to an employee organization or to exercise his/her rights under this MOU. The LPMO similarly agrees that it will not interfere with or discriminate against employees for exercising rights to belong or refrain from belonging to, supporting, or participating in the activities of an employee organization.

39.6 Both the City and the LPMO agree that no employee shall be subjected to any discrimination by the City or fellow employees in any matter relating to hiring, promotion, assignment, wages, or conditions or employment because of age, sex, creed, color, or national origin. Alleged discriminatory acts are subject to the City's Policy and Procedure regarding Discrimination, not the grievance procedure.

ARTICLE XXXX – REST PERIOD

40.1 The intent of the rest period is to ensure that the employee is adequately rested for his/her assigned work shift.

a. Employees will receive a continuous eight hour rest period immediately preceding or immediately following their scheduled court appearance or other departmental assignment(s), if less than eight hours has elapsed during:

1) the time period that employee's regular work shift ends and his/her scheduled appearance/assignment time; or

2) the time period that officer is dismissed and his/her regular work shift begins.

This rest period will not be charged to the employee.

b. If an employee receives approval to take the remaining portion of his or her scheduled shift off, the employee's leave balances will be charged for the entire shift (as if no rest period has occurred).

c. The rest period does not apply when an employee is scheduled for court or appearance/assignment the day immediately following a day off.

ARTICLE XXXXI - CHANGES IN THE MOU

41.1 The City and the LPMO agree to reopen this MOU and to renew Meeting and Conferring on the subjects set forth herein during the term of this MOU in the event that any provision of this MOU is modified by statute or by a competent order of a court in such a way as to affect either the employees or the City. In such event, all remaining provisions of the MOU shall continue in full force and effect unless and until they are also modified by statute or competent order of a court or agreement of the City and the LPMO.

ARTICLE XXXXII - SEVERABILITY

42.1 In the event that any provision of this MOU is found by a court of competent jurisdiction to be invalid, all other provisions shall be severable and shall continue in full force and effect.

CHAPTER 5 – WORK HOURS

ARTICLE XXXXIII - HOURS OF WORK

43.1 Employees shall work a "10-4" plan. Alternate work schedules may be developed and authorized by- the Chief of Police.

43.2 It is mutually agreed that the City has the sole right to assign personnel, to establish hours of work and work schedules, to make changes to those schedules, to schedule employees off on compensatory time, and to schedule holidays and vacations, all depending on the needs of service.

43.3 The City and LPMO mutually agree that split shifts are very stressful and may cause health problems. Consequently, supervisors and managers shall not work split shifts except during cases of an emergency nature.

43.4 All employees in the classification of Police Lieutenant or Police Sergeant assigned to Patrol shall select annually, beginning in the month of September, for at least a one year period, their preferred team assignment, days off sequence, holidays, and vacations on the basis of their seniority and the needs of the service. Seniority shall be defined as follows: Total time in service in the classification rank. Should a member of the LPMO leave membership for any reason and return to membership within twelve months, seniority shall be as if the member never left.

SCHEDULE A

Police Mid-Management Positions

Salary effective ~~1/1/12~~1/1/14

Occupation Title	Step A	Step B	Step C	Step D	Step E
Police Captain	9150.42	9607.93	10088.33	10592.74	11122.38
Police Lieutenant	7625.35	8006.61	8406.94	8827.29	9268.65
Police Sergeant	6354.46	6672.17	7005.78	7356.07	7723.88

LODI POLICE MID-MANAGEMENT ORGANIZATION

_____
Steve Carillo, Negotiator ~~Konradt Bartlam~~
Dated:_____

_____
Fernando Martinez~~Sierra Brucia~~, Negotiator
Dated:_____

~~_____~~
~~Bill Alexander, Negotiator~~
~~Dated:_____~~

_____
Steve Nelson, Negotiator
Dated:_____

CITY OF LODI, a municipal corporation

_____
D. Stephen Schwabauer, Interim City Manager
Dated:_____

_____
Jordan Ayers, Deputy City Manager
Dated:_____

APPROVED AS TO FORM:

_____
~~D. Stephen Schwabauer~~Janice Magdich
Interim City Attorney

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RESOLUTION NO. 2014-31

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING
2014 MEMORANDUM OF UNDERSTANDING
WITH THE LODI POLICE MID-MANAGEMENT ORGANIZATION AND
FURTHER APPROPRIATING FUNDS

==========

WHEREAS, representatives from the City of Lodi and the Lodi Police Mid-Management Organization have bargained in good faith for the purpose of approving the 2014 Memorandum of Understanding (MOU); and

WHEREAS, it is recommended that Council approve the attached 2014 MOU (Exhibit A) with the Lodi Police Mid-Management Organization, including the following:

- Base one-time non-PERS-able payment of $2,300;
- Increase to the January 2014 Medical Cap (as defined in detail below):

	Current	Proposed	Difference
Single	$610.44	$657.33	$46.80
Employee + 1	$1,220.88	$1,314.66	$93.76
Family	$1,587.14	$1,709.06	$121.92

- One-time non-PERS-able additional uniform allowance payment equal to one percent (1%) to all members of this bargaining unit; and
- Greater flexibility in the timing of employees' ability to cash out certain leave balances.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the attached 2014 Memorandum of Understanding (Exhibit A) between the City of Lodi and the Lodi Police Mid-Management Organization, including the one-time amendments as outlined above; and

BE IT FURTHER RESOLVED that funds be appropriated as shown on the attached Appropriation Request Form.

Date: March 5, 2014

==========

I hereby certify that Resolution No. 2014-31 was passed and adopted by the Lodi City Council in a regular meeting held March 5, 2014, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Johnson, Mounce, and Mayor Katzakian

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Nakanishi

ABSTAIN: COUNCIL MEMBERS – None

RANDI JOHL-OLSON
City Clerk

1. AA# _____
2. JV# _____

CITY OF LODI
APPROPRIATION ADJUSTMENT REQUEST

TO:	Internal Services Dept. - Budget Division		
3. FROM:	**Jordan Ayers**	5. DATE:	**3/5/14**
4. DEPARTMENT/DIVISION:			

6. REQUEST ADJUSTMENT OF APPROPRIATION AS LISTED BELOW

	FUND #	BUS. UNIT #	ACCOUNT #	ACCOUNT TITLE	AMOUNT
A. SOURCE OF FINANCING	**100**		**3205**	**Fund Balance**	**~~$ 92,290.00~~**
					$ 96,290.00
B. USE OF FINANCING	**100**	**101032**	**7101**	**Regular employee salary**	**~~$ 92,290.00~~**
					$ 96,290.00

7. REQUEST IS MADE TO FUND THE FOLLOWING PROJECT NOT INCLUDED IN THE CURRENT BUDGET

Please provide a description of the project, the total cost of the project, as well as justification for the requested adjustment. If you need more space, use an additional sheet and attach to this form.

Appropriation increase associated with adjustments to the Police Mid-Management Association MOU adopted on March 5, 2014

If Council has authorized the appropriation adjustment, complete the following:

Meeting Date: _____ Res No: _____ Attach copy of resolution to this form.

Department Head Signature: _____

8. APPROVAL SIGNATURES

Deputy City Manager/Internal Services Manager Date

Submit completed form to the Budget Division with any required documentation.
Final approval will be provided in electronic copy format.

MEMORANDUM OF UNDERSTANDING

BETWEEN

CITY OF LODI

AND

LODI POLICE MID-MANAGEMENT ORGANIZATION (LPMO)

JANUARY 1, 2014 – DECEMBER 31, 2014

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City of Lodi

And

Lodi Police Mid-Management Organization

January 1, 2014 – December 31, 2014

CHAPTER 1 - SALARIES AND OTHER COMPENSATION

ARTICLE I - SALARY AND TERM

1.1 The City of Lodi and the LPMO mutually agree the Lieutenant position is the benchmark position for all members of this bargaining unit for determining employee's compensation.

1.2 Sergeant's salary will be calculated by dividing the Lieutenants salary by 1.20, creating a 20% separation between Lieutenant and Sergeant.

1.3 Captain's salary will be calculated by multiplying the Lieutenants salary by 1.20, creating a 20% separation between Lieutenant and Captain.

1.4 The terms and conditions of this MOU shall continue in effect during the term of this MOU. The City of Lodi and LPMO agree that the term is January 1, 2014 through December 31, 2014.

1.5 The City of Lodi and the LPMO agree to commence negotiations no later than (3) months prior to the expiration of the MOU.

1.6 Although the City is not required to perform or act on a salary survey during the term of this MOU, in the event a salary survey is performed, the City of Lodi and the LPMO agree that the salary survey cities shall be as follows:

*Chico	*Merced	*Tracy
*Clovis	*Modesto	*Turlock
*Davis	*Redding	*Vacaville
*Fairfield	*Roseville	*Visalia
*Manteca	*Stockton	*Woodland

Salary surveys shall include the following areas of compensation:

- Salary
- PERS employee contribution paid by employer
- Health Care Contribution paid by employer
- Education Incentives
- POST Certificate Pay
- Longevity Pay
- Deferred Compensation Contribution

1.7 City shall provide a one-time, non-PERSable payment of $2,300 to each member of this bargaining unit who is employed by the City on the date of approval of this MOU by the City Council. Payment will be made in a lump sum manner along with a regularly scheduled pay check within two pay periods of the approval of this MOU by the City Council.

ARTICLE II - UNIFORM ALLOWANCE

2.1 The City agrees to provide a uniform allowance of $950.00 annually.

2.2 The uniform allowance shall be paid bi-weekly in conjunction with regular pay checks.

2.3 The City agrees to repair or replace uniforms damaged or destroyed on duty unless gross negligence can be shown on the part of the employee. Receipts shall be required prior to reimbursement.

2.4 In addition to the above uniform allowance, City agrees to make a one-time, non-PERSable payment of one percent (1%) of employees' base salary as shown in Schedule A toward the uniform allowance to each member of the bargaining unit who is employed by the City on the date of approval of this MOU by the City Council. Payment will be made in a lump sum manner with a regularly scheduled pay check within two pay periods of approval of this MOU by the City Council. This clause shall sunset on December 31, 2014.

ARTICLE III – BI-LINGUAL PAY

3.1. Employees designated by the Department Head and approved by the City Manager who have passed a bi-lingual proficiency examination administered by the City shall receive a monthly bi-lingual premium of $150.00.

ARTICLE IV – COMPENSATORY TIME

4.1 Employees may accrue compensatory time in lieu of overtime pay. The accrual rate for compensatory time shall be one and one-half hours for each hour of overtime time worked.

4.2 No more than two hundred forty (240) hours of compensatory time may be carried on the books at any time.

4.3 An employee's decision to elect compensatory time instead of overtime pay is irrevocable.

4.4 Upon separation, the employee will be paid at the employee's current hourly rate or the average of the last three years, whichever is higher, for the remaining compensatory balance.

4.5 Bargaining unit members shall be allowed to cash out up to a maximum of 100 hours of earned compensatory time off twice per year in April and October.

ARTICLE V – COURT TIME

5.1 Employees scheduled to make court appearances during off-duty hours, on scheduled days off, or when on graveyard shift, shall be compensated at the rate of time and one-half for actual hours involved in such appearances. In no event shall they be paid for less than four hours.

5.2 Court appearances which are within two hours of the beginning of a shift or within one hour of the end of the shift shall be compensated at the time and one-half rate. Such appearances shall be reported as contiguous shift extensions.

5.3 Cancellation of scheduled appearance must be made at least two hours before said scheduled appearance or the minimum four hours shall be paid.

5.4 Employees who receive a subpoena to appear in court, shall notify their supervisor of the appearance date and time in order to provide the Watch Commander time to review the schedule to determine if rest period time is required, or additional staff will be needed.

ARTICLE VI - LONGEVITY PAY

6.1 After completing ten years of service with the Lodi Police Department, employees shall receive an annual longevity pay in the amount of $1,500 in November of the year following completion of ten years of service and each year thereafter until completing twenty years of service with the Lodi Police Department. Employees who have completed twenty years of service with the Lodi Police Department will receive longevity pay in the amount of $3,000 in November of the year following completion of twenty full years of service and each year thereafter.

For the purposes of this article, all employees who as of October 31st meet the service level requirements (either ten full years or twenty full years from the first day of the month in which they started their employment with the City of Lodi Police Department)

shall receive the longevity pay associated with their years of service with the Lodi Police Department.

The incentive in this Article is limited to employees hired prior to January 1, 2012.

ARTICLE VII – SPECIAL ASSIGNMENT PAY

7.1 Employees assigned to SWAT or Sergeants assigned to the Detective Bureau or Office of Professional Standards (OPS) shall receive an allowance equal to 4.5% of their normal base pay. It is mutually agreed that assignments to the Detective Bureau or SWAT are at the sole discretion of the Chief of Police. No employee has the right to such assignment. Employees in such positions acknowledge, as does the LPMO, that employees may be transferred or reassigned from their position on a non-punitive basis and that they have no right to appeal from such transfer or reassignment.

ARTICLE VIII – OUT OF CLASS PAY

8.1 Employees in this bargaining unit who are designated by the Chief of Police to work in a higher level classification shall be paid an additional 5% of the employee's regular salary.

ARTICLE IX - CALL BACK PAY

9.1 Officers called to appear for work within two hours of the beginning of a shift, or one hour after the shift, shall receive overtime at the rate of time and one-half. Such appearances shall be reported as contiguous shift extensions. If the appearance begins more than two hours before or more than one hour after the scheduled shift, the employee will be credited a minimum of three hours at the time and one-half rate.

When an officer is ordered back to work on an "as soon as possible" basis and reports within thirty minutes, the officer shall be compensated from the time of the call.

CHAPTER 2 – BENEFITS AND INSURANCES

ARTICLE X – EMPLOYEE ASSISTANCE PROGRAM

10.1 Employees, their spouses, and dependent children are entitled to three (3) free visits per year per family member with a licensed clinical social worker through the Employee Assistance Program provided through the City. This may be supplemented by medical insurance after exhaustion of the three (3) free visits.

ARTICLE XI - DEFERRED COMPENSATION

11.1 Employees may participate in the City's Deferred Compensation Plan

11.2 The City will match up to maximum of 3.0% of gross base salary.

ARTICLE XII - FLEXIBLE SPENDING ACCOUNT

12.1 Employees shall have the option of participating in the Flexible Spending Account (Section 125 Plan). Employees may elect to participate in;

a) Premium Conversion
b) Non-reimbursed Health Care
c) Dependent Care Reimbursement

12.2 Elections for the calendar year will be made each December, or if a change in family status occurs. Money not used by the end of each calendar year will be forfeited by the employee.

12.3 The City intends to propose a cafeteria-based benefit program in 2014 with an effective date of January 1, 2015. This program would incorporate, but not be limited to: medical, vision, dental, chiropractic and life insurance. The above listed terms of this agreement will be reopened for negotiation upon the City's presentation of a cafeteria plan.

The City's proposed cafeteria plan will offer substantially the same or better benefits to those currently received by unit members.

ARTICLE XIII - CHIROPRACTIC

13.1 Chiropractic services may be received by employees and dependents. This benefit allows up to a maximum of 40 visits per calendar year. Co-payments for services are $10.00.

ARTICLE XIV - EDUCATION INCENTIVE

14.1 Education incentives will be available to eligible employees as follows:

Bachelor's Degree: $200.00 per month

Advanced POST: $250.00 per month OR
Supervisory POST: $350.00 per month OR
Management POST: $450.00 per month

POST incentives will be paid based upon the highest level certificate held.

ARTICLE XV - OVERTIME

15.1 The following special provisions for the payment of overtime will apply to Police Sergeants and Police Lieutenants. Employees shall be compensated for overtime at the time and one-half rate for time worked due to emergencies. Emergencies shall be determined by the appropriate department head and include but are not limited to such events as:

- The necessity to cover scheduled shifts;
- Direct supervision of crews assigned to work during normal days off to accommodate the public;
- Break down of equipment and/or systems requiring the presence of the mid-manager in order to restore service.

15.2 Overtime pay shall not be paid for the following:

- Staff meetings
- Special projects
- Conferences and seminars - except as noted below
- Appearances before City Council and commissions,
- Public information presentations,
- Activities involved with the completion of normal activities or programs such as budgets, inventory, annual financial closings, labor negotiations, and recreation programs.

15.3 All overtime must be approved by the department head. Any deviations from these guidelines must be approved in advance by the department head and the City Manager.

15.4 Upon promotion into a Mid-Management position all previously accrued compensatory time must be paid or used prior to the promotion.

15.5 Police Lieutenants and Sergeants shall be compensated for overtime hours necessitated by attending State mandated training and for work on special events as designated by the Chief of Police or Division Commander.

15.6 The classification of Police Captain is deemed exempt from overtime and is not eligible for overtime pay under this article unless such overtime is required during a declared state of emergency and expenditure is mandated for reimbursement to the City of Lodi.

ARTICLE XVI - RETIREMENT

16.1 The City of Lodi provides retirement benefits through the Public Employees Retirement System. Employees shall receive the following retirement benefits. The following plan is available to employees hired prior toDe3cember 22, 2012 and deemed to be "classic" employees by PERS:

Public Safety

3% @ 50 plan

- 1959 Survivors Benefit – Third Level
- Employee shall pay the full employee share of retirement costs (9%) as calculated by PERS in its annual actuarial valuation
- Credit for Unused Sick Leave
- Military Service Credit as Public Service
- Single Highest Year

16.2 For employees hired after December 22, 2012 and deemed to be "classic" employees by PERS, the following retirement plan will apply:

Public Safety

3% @ 55 plan

- 1959 Survivor Benefit – Third Level
- Employee shall pay the full employee share of retirement costs (9%) as calculated by PERS in its annual actuarial valuation
- Credit for Unused Sick Leave
- Military Service Credit as Public Service
- Highest Three Year Average

16.3 The City agrees to provide the following PERS retirement program and to pay the employer's cost for employees deemed to be "new" employees by PERS under the Public Employee's Pension Reform Act of 2013 (PEPRA):

- 2.7% @ 57 plan
- 1959 Survivor Benefit – Third Level
- Credit for Unused Sick Leave
- Military Service Credit as Public Service
- Highest Three Year Average
- Employee shall pay the full employee share of retirement costs as calculated by PERS in its annual actuarial valuation

ARTICLE XVII - SICK LEAVE CONVERSION

17.1 Employees hired prior to July 1, 1994, after 10 years with the City and only upon retirement, may convert their accumulated sick leave time to medical insurance premiums or cash under the following options:

OPTION #1 - *"Bank"*

The number of accumulated hours shall be reduced by 16-2/3% and the remaining balance converted into days. The days are then multiplied by the current monthly premium being paid by the City for the employee and, if applicable, his/her dependents.

Fifty percent of that dollar amount will be placed into a "bank" to be used for medical insurance premiums for the employee, and if applicable, his/her dependents. For each year of employment over 10 years, 2.5% will be added to the 50% used in determining "bank" amount. Total premiums shall be paid from the Bank until its depletion, at which time the conversion benefit stops.

EXAMPLE:
Lt. John Smith retires with 25 years of service and 1800 hours of unused sick leave:

Sick Leave Hours - 1800 x 16⅔%(reduced per MOU) = 299.99
1800 minus 299.99 = 1500.01
1500.01 divided by 8 (coverage factor) = 187.5
187.50 times 87.5% (% of coverage) = 164.1
164.1 times 694.86(current medical premium) = $114,026.52

Employees may also use their banks money to purchase Dental and/or Vision Insurance at the current premiums until their bank is depleted.

OPTION #2 - *"Conversion"*
The number of accumulated hours shall be multiplied by 50% and converted to days. The City shall pay one month's premium for employee and dependents for each day after conversion. For each year of employment in excess of 10 years, 2.5% shall be added to the 50% before conversion. The amount of premium paid shall be the same as the premium paid by the City at the time of retirement, subject to the cap shown in Section XIX. Any differences created by an increase in premiums must be paid for by the employee.

EXAMPLE:
Lt. John Smith retires with 25 years of service and 1800 hours of unused sick leave:

Sick Leave Hours - 1800 divided by 8 (coverage factor) = 225
225 times 87.5 (% of coverage) = 196.88
196.88 divided by 12(yrs) = 16.4 total years of coverage

OPTION #3 - *"Cash-Out"*
A retiring employee will be able to choose a cash pay-off of accumulated sick leave at the rate of 30% of base pay per hour.

OPTION #4 – *"Service Credit"*
A retiring employee will be able to convert unused sick leave to service credit for Cal PERS retirement purposes.

17.2 Employees hired after July 1, 1994 will not have the option of converting unused sick leave time into medical insurance premiums or cash as referenced in OPTION 1-3. The only option available to these employees is OPTION #4 "Service Credit".

17.3 In the event an active employee dies before retirement and that employee is vested in the Sick Leave Conversion program (10 years) the surviving dependents have an interest in one-half (1/2) the value of the "bank" as calculated in section 17.1.

17.4 The City shall allow a surviving dependent of a retiree enrolled in the Sick Leave Conversion program to purchase medical insurance at the employee only premium for the same period as if the retiree had not died.

17.5 A retiree or surviving dependent, upon expiration of City-paid coverage, if any, has the option of purchasing at the prevailing rate additional medical insurance for an unlimited amount of time.

17.6 Out of area retirees may receive reimbursement for medical insurance premiums up to the City's liability as specified in Section 17.1; Option #2.

17.7 Only one City of Lodi employee may carry dependent coverage for another City employee, therefore, upon retirement the employee may re-enroll as an individual into the health plan in order to take advantage of the Sick Leave Conversion program.

17.8 A retiree or surviving dependent may purchase dental and vision insurance at the City group rate through the Sick Leave Conversion options.

ARTICLE XVIII - RESERVED

ARTICLE XIX - MEDICAL INSURANCE

19.1 All employees are offered medical insurance for themselves and dependents through CalPERS medical plans. City shall pay 100% of the premium for employee's family category (Family, Employee + 1, Single) for the lowest cost PERS HMO available in Lodi's geographical area (excluding Porac).

If an employee elects not to be covered by medical insurance through the City of Lodi, an additional:

$692.81 per month for Family
$532.92 per month for Employee + 1
$305.22 per month for Single

will be added to either the employee's deferred compensation account or cash. In order to qualify for this provision, proof of group insurance must be provided to the City.

19.2 Effective January 1, 2014, City will pay a maximum of the following for each family category:

$1,709.06 for Family
$1,314.66for Employee + 1
$657.33 for Single.

If employee selects a higher cost plan, employee will pay the difference as a payroll deduction.

19.3 LPMO shall allow a maximum of seven (7) City employees to become associate members of LPMO solely to allow access to health plans not otherwise available to non public safety members. Associate memberships shall be allotted on a first-come, first-served basis.

ARTICLE XX - DENTAL INSURANCE

20.1 Employees are provided fully paid family dental insurance.

20.2 Maximum benefits are $1,000 for each family member enrolled into the dental plan, per calendar year. There is a $25 deductible plus co-insurance features.

ARTICLE XXI - VISION INSURANCE

21.1 Employees are provided with family vision care insurance through *Vision Service Plan.* Services and amount of coverage are outlined in the VSP Summary of Benefits.

ARTICLE XXII - LIFE INSURANCE

22.1 Employees are provided with *term life and accidental death/dismemberment* insurance up to $25,000. These benefits decrease after age 70 on a sliding scale, depending on age.

22.2 Employees are provided with $100,000 of *accident insurance* while traveling on City business outside the City limits. Spouses are only covered while accompanying the City employee on City business, or while conducting business on behalf of the City.

ARTICLE XXIII - SURVIVORS MEDICAL BENEFITS

23.1 The City shall pay 100% of the premiums for health and dental benefits described in this MOU for the surviving spouse and any minor children of any member of the LPMO who is killed or dies during the performance of official duties. Premiums will be paid at the current rate in effect at the time of the member's death. Premiums will continue to be paid by the City until such time as the surviving spouse is covered by other insurance or remarries, and for dependent children of the member killed in the line of duty until such time as either:

(1) the children become age 26, or

(2) the children are covered under other alternative medical coverage provided by and through the surviving spouse or the person who he/she remarries.

ARTICLE XXIV - TUITION REIMBURSEMENT

24.1 Tuition reimbursement will be provided as stated in the City's current Tuition Reimbursement Policy. The City will not eliminate this policy during the term of this MOU.

CHAPTER 3 - LEAVES

ARTICLE XXV - VACATION LEAVE

25.1 Employees hired prior to July 1, 1994 shall receive the following vacation benefits:

Beginning with:

Date of Hire:	3.08 hours per pay period
6th year	4.62 hours per pay period
12th year	5.23 hours per pay period
15th year	6.16 hours per pay period
21st year	6.47 hours per pay period
22nd year	6.78 hours per pay period
23rd year	7.09 hours per pay period
24th year	7.40 hours per pay period
25th year	7.71 hours per pay period

25.2 Employees hired after July 1, 1994 shall receive the following vacation benefits:

Beginning with:

Date of Hire:	3.08 hours per pay period
6th year	4.62 hours per pay period
12th year	5.23 hours per pay period
15th year/above	6.16 hours per pay period

25.3 Employees promoting into a Mid-Management position will follow the vacation schedule referenced in articles 25.1, or 25.2, depending on their initial employment with the City of Lodi

25.4 Vacation leave shall be used in increments of not less than quarter hours. Employees may accumulate a maximum of twice the employee's annual vacation accrual. If and when the accrual cap is reached, no additional vacation hours will be accumulated until the employee's vacation usage brings the accumulated number of hours under the cap.

ARTICLE XXVI - ADMINISTRATIVE LEAVE

26.1 Employees will be given 80 hours of administrative leave per calendar year, credited in January for purposes of use. Leave shall be taken in increments of not less than quarter hours. Balances must be used prior to December 30 or they will be lost.

26.2 New employees or employees becoming eligible due to a promotion receive administrative leave on a prorated basis, with six point six seven (6.67) hours granted for each full calendar month remaining in the calendar year with a maximum of 80 hours.

26.3 Employees separating mid-year will receive a cash pay out for unused Administrative Leave on a prorated basis in accordance with 26.2. Administrative leave used, but not accrued in accordance with 26.2 shall be repaid to City.

26.4 Employees are eligible to cash out up to 40 hours of their current Administrative Leave balance in any calendar year except in the months of May and June. A request to cash out Administrative Leave must be in writing and submitted to the Finance division.

ARTICLE XXVII - HOLIDAYS

27.1 All employees shall receive 135 hours of floating holidays.

27.2 All employees assigned to a 40 hour work week shall observe fixed holidays as shown:

New Year's Day	-	January 1
Martin Luther King Jr. Day	-	3rd Monday in January
Presidents Day	-	3rd Monday in February
Memorial Day	-	Last Monday in May
Independence Day	-	July 4th
Labor Day	-	1st Monday in September
Thanksgiving Day	-	4th Thursday in November
Day after Thanksgiving	-	Friday following Thanksgiving Day
Last Half of Christmas Eve Day	-	December 24th
Christmas Day	-	December 25th

27.3 Holiday hours shall be taken in increments of not less than quarter hours.

27.4 If holiday time is not used by the end of the calendar year, any remaining hours will be cashed out to the employee in the first pay period in January.

27.5 If hired or separated mid-year, employee shall be credited or debited with fixed holidays remaining plus floating holidays per the following schedule:

Four Floating Holidays:

Month Hired or Separated			Hours added	Hours Subtracted
Jan	Feb	March	40	30
April	May	June	30	20
July	Aug	Sept	20	10
Oct	Nov	Dec	10	0

ARTICLE XXVIII - SICK LEAVE

28.1 Sick Leave is earned at the rate of 5.54 hours per pay period with no limit on the amount that can be accrued. Sick leave shall be taken in increments of not less than quarter hours.

ARTICLE XXIX – FAMILY AND MEDICAL LEAVE

29.1 The City of Lodi will comply with the requirements of the federal Family and Medical Leave Act of 1993 (FMLA) and the California Family Rights Act of 1993 (CFRA), as defined in California Government Code Sections 12945 et seq. and reflected in the City's Policy and Procedures Manual.

ARTICLE XXX - CATASTROPHIC LEAVE

30.1 Catastrophic leave is available to employees is accordance with the City's current Catastrophic Leave policy..

ARTICLE XXXI - BEREAVEMENT LEAVE

31.1 Bereavement leave is available to employees in accordance with the City's current Bereavement Leave policy.

ARTICLE XXXII – LEAVE OF ABSENCE

32.1 Leaves of Absence are available to employees in accordance with the City's current Leave of Absence policy.

CHAPTER 4 - ORGANIZATION/CITY ISSUES

ARTICLE XXXIII - PROBATION

33.1 Employees have a probationary period of one year. During probation, new hires have the same rights and privileges as regular employees, except that:

- City and employee may mutually agree to an extension of the probationary period up to six additional months.
- Employee serves "at will" and rejection during probation cannot be grieved.

New hires and promotional appointments shall be eligible for a merit increase at the completion of probation.

ARTICLE XXXIV - PERSONAL LIABILITY

34.1 Employees shall be indemnified and held harmless by the City against all costs, legal expenses, and liability arising out of decisions made in their capacity for the City of Lodi and/or from any cause of action for property damage, or damages for personal injury, including death, sustained by person(s) as a result of a decision made in their capacity, except that:

A. The City is not required to but may provide for the defense of an action or proceeding brought against an employee or former employee if the City determines that:

1. The act or omissions was not within the scope of their employment; or
2. They acted or failed to act because of actual fraud, corruption, or actual malice; or
3. The defense of the action or proceeding by the City would create a conflict of interest between the City and the employee or former employee.

B. The City is not required to but may pay any claim of judgment for punitive or exemplary damages under the following circumstances:

1. The judgment is based on an act or omission of an employee or former employee acting within the course and scope of their employment as an employee of the City.
2. At the time of the act giving rise to the liability, the employee or former employee acted, or failed to act, in good faith, without actual malice and in the apparent best interests of the City.
3. Payment of the claim of judgment would be in the best interests of the City.

ARTICLE XXXV- GRIEVANCE PROCEDURE

35.1 Disputes involving the following subjects shall be determined by the Grievance Procedures established herein:

A. Interpretation or application of any of the terms of this agreement, including Exhibits thereto, Letter of Agreement, and formal interpretations and clarifications executed by the Association and City.

B. Disputes as to whether a matter is proper subject for the Grievance Procedure.

C. Disputes which may be of a "class action" nature filed on behalf of the Association or the City.

35.2 Class action Grievances shall be submitted in writing from the LPMO's President to the City Manager or vice versa.

35.3 STEP ONE
Discussion between the employee, the Association Representative and the Department Head, who will answer within fifteen work days. This step shall be taken within thirty days of the date of the action complained of, or the date the grievant became aware of the incident which is the basis of the grievance.

35.4 STEP TWO
If a grievance is not resolved in Step One, Step Two shall be the presentation of the grievance by the Association Representative, in writing, to the City Manager who shall answer, in writing, within fifteen work days of receipt of the grievance, the City Manager's decision shall be final and binding regarding the City's Administrative Process.

ARTICLE XXXVI - DISCIPLINARY PROCEDURE

36.1 Basis: The City may discipline any employee in City service. Discipline may include discharge, demotion, suspension, reduction in pay, or oral or written reprimand. Only regular employees shall have the right to hearing and appeal as described in this section.

36.2 FLSA Exempt Employees: With respect to employees in classification deemed exempt from the overtime requirements of the Fair Labor Standards Act ("FLSA") disciplinary suspensions pursuant to this policy shall be administered in accordance with the salary basis test under the FLSA's governing regulations.

36.3 Cause: Causes for discipline of any regular employee shall follow the listing of causes noted in the City's Rules for Personnel Administration, as well as the following causes:

A. Discrimination, including harassment, against other employees or members of the public on the basis of race, color, national origin, religious creed, ancestry, sex, sexual preference, marital status, age or physical handicap.

B. Unauthorized possession or use of controlled substances or alcohol on City property and/or at the worksite.

36.4 Persons Authorized to Take Disciplinary Action: Employee discipline may be initiated by the City department head for cause against any employee under his/her supervision. Disciplinary actions in the form of termination or discharge shall be subject to final approval from the City Manager.

36.5 Notice (except in the case of oral or written reprimand): Notice of Intended Disciplinary Action shall be prepared in writing by the department head or designee proposing the discipline and shall be served on the employee in person or by registered or certified mail. Notice shall be served prior to the action becoming effective; however, where circumstances require immediate removal of the employee from the workplace, notice shall be provided within two (2) working days from the date the employee is removed from the workplace. Employees so removed shall be placed on paid leave pending imposition of discipline. A copy of the Notice of Intended Disciplinary Action shall also be filed with the Human Resources Director. The written Notice of Intended Disciplinary Action shall contain the following information:

1. The specific type of disciplinary action;
2. The effective date of the action;
3. The specific reason(s) or cause(s) for the actions;
4. Notice that the employee may inspect copies of all materials upon which the action is based, and
5. Notice that the employee has the right to respond orally or in writing within ten (10) days to the department head initiating the disciplinary action. No hearing before the City Manager is available to review oral or written reprimands.

An employee who responds orally or in writing to the department head shall be entitled to meet in an informal conference with the department head or designee and shall be given the opportunity to rebut the charges against him/her or to state any mitigating circumstances. In the case of oral or written reprimand, the department head's decision shall be final. In the case of discharge, demotion, suspension, or reduction in pay, the department head or other City designee shall hear and consider the facts presented by the employee and shall thereafter submit a written recommendation to the City Manager to either impose, rescind or modify the proposed disciplinary action. The recommended proposed disciplinary action shall also be served on the employee. The recommendation shall contain:

6. The specific type of disciplinary action;
7. The specific reason(s) or cause(s) for the actions;

36.6 Final Notice of Disciplinary Action: Following review of the department head's recommendation and the determination by the City Manager, the City Manager shall prepare a Final Notice of Disciplinary Action, advising the employee of the action to be taken, its effective date, and the employee's appeal rights.

1. Disciplinary action shall become effective on the date stated in the Final Notice of Disciplinary Action, unless the date is otherwise extended by the City Manager.
2. The City Manager shall file a copy of the Final Notice of Disciplinary Action with the Human Resources Director. The Final Notice of Disciplinary Action shall be delivered personally to the employee or shall be sent by registered or certified mail.

36.7 Appeal of Disciplinary Action: In the event of a demotion, suspension or dismissal, and the affected employee is not satisfied with the decision rendered by the City Manager, the employee may appeal the decision. The employee may appeal disciplinary decisions by filing a written appeal with the Human Resources Director within fifteen (15) work days following service of the Final Notice of Disciplinary Action. The written appeal shall contain a written reply to the charges against the employee and written request for an appeal hearing. The employee shall submit a copy of the appeal to the City Manager.

36.8 If an employee submits an appeal, the City shall refer the case to a neutral hearing officer selected through the California State Mediation and Conciliation Services to hear the appeal and submit an advisory decision to the City Manager. Selection of the hearing officer shall be made by the parties' mutually selecting a list of 7 neutral hearing officers from the office of the California State Mediation and Conciliation Services. Absent mutual agreement on a name on the list, the parties will strike names from the list for final selection of the hearing officer. The selected hearing officer shall adhere to the following standard of review and hearing procedures:

1. The appeal hearing shall be informal and strict rules of evidence shall not apply.
2. The parties will have the right to present and cross-examine witnesses, issue opening and closing statements, and file written closing briefs. Witness testimony shall be under oath or affirmation.
3. The hearing officer may exclude testimony or evidence which he/she determines irrelevant or unduly repetitious.
4. Attendance at the appeal hearing shall be limited to those determined by the hearing officer to have a direct connection with the appeal. Witnesses normally would be present at the hearing only while testifying and should be permitted to testify only in the presence of the employee or his/her representatives and the City's representatives.
5. The appeal hearing will be held on the City's premises.
6. In conducting the appeal, the hearing officer's authority/jurisdiction shall be limited to reviewing the factual basis supporting the discipline and determining that the factual basis was reached honestly, after a fair, appropriate and procedurally correct investigation and for reasons that were not arbitrary, discriminatory or pretextual. Should the hearing officer, conducting the review specified above, affirm the factual basis for the discipline decision, he/she may not substitute his/her judgment for that of management's as to the level of discipline imposed. In the event the hearing officer finds that the level of discipline is excessive, he/she may submit an advisory opinion concerning what he/she feels would be the appropriate level of discipline to the City Manager. Should the hearing officer not affirm the factual basis for the discipline, the normal remedy will be to remand the matter to the decision level where the error

occurred for reevaluation and/or correction consistent with the hearing officer's findings. In such a case, the hearing officer will have the authority to retain jurisdiction over the appeal to ensure compliance with the remand decision.

7. The cost of the hearing officer shall be borne by the City. The parties will share equally the cost of the court reporter and each side will bear their respective costs of representation.

36.9 Any decision of the City Manager shall be final and binding.

36.10 Judicial review of any decision rendered under this section shall be governed by Code of Civil Procedure section 1094.5.

36.11 Notwithstanding anything in this MOU, all discipline under this MOU shall conform to the requirements of the Police Officers Bill of Rights.

ARTICLE XXXVII –CITY RIGHTS

37.1 It is further understood and agree between the parties that nothing contained in this MOU shall be construed to waive or reduce any rights of the City, which include but are not limited to , the exclusive rights to:

- Determine the methods, means, and personnel by which government operations are conducted
- Determine the mission of its constituent departments, commissions, and boards
- Set standards of service
- Determine the procedures and standards of selection for employment
- Direct its employees
- Maintain the efficiency of governmental operations
- Determine the methods, means, and personnel by which government operations are conducted
- Take all necessary actions to carry out its mission in emergencies
- Exercise complete control and discretion and the technology of performing its work.

City Rights also include the right to determine the procedures and standards of selection for promotion, to relieve employees from duty because of lack of work or other legitimate reasons, to make and enforce standards of conduct and discipline, and to determine the content of job classifications; provides, however, that nothing herein may be read to extend the term of the MOU nor to supplement negotiations as a means for arriving at terms for a successor MOU.

ARTICLE XXXVIII – EMPLOYEE REPRESENTATION

38.1 This Memorandum of Understanding (MOU) is entered into between representatives of the City of Lodi (City) and representatives of the Lodi Police Mid-Management Organization (LPMO).

The parties hereto acknowledge and agree that this MOU constitutes the result of meeting and conferring in good faith as contemplated by Section 3500 et seq., of the Government Code of the State of California, and further acknowledge and agree that all matters upon which the parties reached agreement are set forth herein.

Both parties each certify without reservation that an adequate opportunity has been afforded its bargaining representatives to propose and vigorously advocate all negotiable subject matter_during the course of collective bargaining preparatory to signing this agreement. The City will meet and confer before changing a policy or rule that is subject to meet and confer under the Meyers-Milias-Brown Act (MMBA).

The terms and conditions of this MOU shall continue in effect during the term of this MOU.

The City and the LPMO agree and understand that if any section of the MOU conflicts with the terms and conditions of employment stated in other authorities, such as personnel rules, administrative policy and procedure, city resolutions, or city ordinances, etc. any ambiguity will be resolved in favor of the MOU language. If the MOU is silent on any issue, the applicable document (i.e. policy manual or rules for personnel administration) is controlling. State and Federal laws will be adhered to.

The City agrees to recognize LPMO representatives for the purpose of representing members of the LPMO on all matters relating to the administration of this MOU, and upon the request of an employee, on adverse actions and other matters which may be or are on appeal in accordance with the discipline article of this MOU.

ARTICLE XXXIX - EMPLOYEE RIGHTS

39.1 The City agrees that all disciplinary actions shall be taken in a timely manner, recognizing that imposing discipline, grieving such discipline, investigations, and criminal proceedings may preclude timely action. This process also includes investigations of the complaint, recommending discipline to the office of the Police Chief, and the imposition of discipline.

39.2 The City shall abide by the Public Safety Officers Procedural Bill of Rights (Government Code Section 3300 et seq.), and such is hereby incorporated into this MOU.

39.3 It is understood by both parties that the LPMO, in addition to any other rights herein specified, has the following rights:

1. To represent its members before the City regarding wages, hours, and other terms and conditions or employment
2. To receive timely written notice of changes to or adoption of any rule or regulation directly relating to wages, hours and other terms and conditions of employment.
3. With an employee's written consent, an authorized LPMO representative shall be permitted, upon request, to inspect the employee's official departmental personnel

file during normal business hours. Such review shall not interfere with normal business of the Department.

The City agrees to recognize the LPMO representatives for the purpose of representing employees on all matters relating to the administration of this MOU; and, upon the request of an employee on adverse actions and other matters which may be or are on appeal in accordance with Article XXXVI of this MOU.

39.4 The City agrees to provide each represented employee with copies of special orders, general orders, training bulletins, departmental rules and regulations, and a copy of this MOU.

39.5 The City agrees not to interfere or in any way discriminate against an employee for exercising his/her right to belong to an employee organization or to exercise his/her rights under this MOU. The LPMO similarly agrees that it will not interfere with or discriminate against employees for exercising rights to belong or refrain from belonging to, supporting, or participating in the activities of an employee organization.

39.6 Both the City and the LPMO agree that no employee shall be subjected to any discrimination by the City or fellow employees in any matter relating to hiring, promotion, assignment, wages, or conditions or employment because of age, sex, creed, color, or national origin. Alleged discriminatory acts are subject to the City's Policy and Procedure regarding Discrimination, not the grievance procedure.

ARTICLE XXXX – REST PERIOD

40.1 The intent of the rest period is to ensure that the employee is adequately rested for his/her assigned work shift.

a. Employees will receive a continuous eight hour rest period immediately preceding or immediately following their scheduled court appearance or other departmental assignment(s), if less than eight hours has elapsed during:

1) the time period that employee's regular work shift ends and his/her scheduled appearance/assignment time; or

2) the time period that officer is dismissed and his/her regular work shift begins.

This rest period will not be charged to the employee.

b. If an employee receives approval to take the remaining portion of his or her scheduled shift off, the employee's leave balances will be charged for the entire shift (as if no rest period has occurred).

c. The rest period does not apply when an employee is scheduled for court or appearance/assignment the day immediately following a day off.

ARTICLE XXXXI - CHANGES IN THE MOU

41.1 The City and the LPMO agree to reopen this MOU and to renew Meeting and Conferring on the subjects set forth herein during the term of this MOU in the event that any provision of this MOU is modified by statute or by a competent order of a court in such a way as to affect either the employees or the City. In such event, all remaining provisions of the MOU shall continue in full force and effect unless and until they are also modified by statute or competent order of a court or agreement of the City and the LPMO.

ARTICLE XXXXII - SEVERABILITY

42.1 In the event that any provision of this MOU is found by a court of competent jurisdiction to be invalid, all other provisions shall be severable and shall continue in full force and effect.

CHAPTER 5 – WORK HOURS

ARTICLE XXXXIII - HOURS OF WORK

43.1 Employees shall work a "10-4" plan. Alternate work schedules may be developed and authorized by the Chief of Police.

43.2 It is mutually agreed that the City has the sole right to assign personnel, to establish hours of work and work schedules, to make changes to those schedules, to schedule employees off on compensatory time, and to schedule holidays and vacations, all depending on the needs of service.

43.3 The City and LPMO mutually agree that split shifts are very stressful and may cause health problems. Consequently, supervisors and managers shall not work split shifts except during cases of an emergency nature.

43.4 All employees in the classification of Police Lieutenant or Police Sergeant assigned to Patrol shall select annually, beginning in the month of September, for at least a one year period, their preferred team assignment, days off sequence, holidays, and vacations on the basis of their seniority and the needs of the service. Seniority shall be defined as follows: Total time in service in the classification rank. Should a member of the LPMO leave membership for any reason and return to membership within twelve months, seniority shall be as if the member never left.

SCHEDULE A

Police Mid-Management Positions

Salary effective 1/1/14

Occupation Title	Step A	Step B	Step C	Step D	Step E
Police Captain	9150.42	9607.93	10088.33	10592.74	11122.38
Police Lieutenant	7625.35	8006.61	8406.94	8827.29	9268.65
Police Sergeant	6354.46	6672.17	7005.78	7356.07	7723.88

LODI POLICE MID-MANAGEMENT ORGANIZATION

_____
Steve Carillo, Negotiator

Dated:_____

_____
Fernando Martinez, Negotiator

Dated:_____

_____
Steve Nelson, Negotiator

Dated:_____

CITY OF LODI, a municipal corporation

_____
Stephen Schwabauer, Interim City Manager

Dated:_____

_____
Jordan Ayers, Deputy City Manager

Dated:_____

APPROVED AS TO FORM:

_____
Janice Magdich, Interim City Attorney