

MEMORANDUM OF UNDERSTANDING
Between and For
THE CITY OF NAPA
And
POLICE MANAGEMENT UNIT
For
JANUARY 1, 2016 THROUGH DECEMBER 31, 2018

TABLE OF CONTENTS

SECTION 1. CLASSIFICATION..... 1

SECTION 2. TERM..... 1

SECTION 3. COMPENSATION 1

SECTION 4. UNIFORM ALLOWANCE 2

SECTION 5. ACTING PAY 3

SECTION 6. PROMOTIONS 3

SECTION 7. HOLIDAYS/HOLIDAY PAY 3

SECTION 8. VACATION 4

SECTION 9. SICK LEAVE..... 4

SECTION 10. MANAGEMENT LEAVE..... 5

SECTION 11. BEREAVEMENT LEAVE..... 6

SECTION 12. TIME OFF FOR MANAGEMENT UNIT BUSINESS..... 6

SECTION 13. HEALTH SERVICES CONTRIBUTIONS 6

SECTION 14. OTHER INSURANCES 7

SECTION 15. DEFERRED COMPENSATION 8

SECTION 16. AUTOMOBILE ALLOWANCE 8

SECTION 17. PERFORMANCE BONUS 8

SECTION 18. WORKING HOURS/WORK SCHEDULES 8

SECTION 19. RETIREMENT 8

SECTION 20. RETIREE MEDICAL 10

SECTION 21. PURCHASE OF FIREARM AT RETIREMENT 13

SECTION 22. RESIDENCY 14

SECTION 23. BODY ARMOR..... 14

SECTION 24. AMERICANS WITH DISABILITIES ACT..... 14

SECTION 25. FISCAL EMERGENCY..... 14

SECTION 26. FULL UNDERSTANDING 14

SECTION 27. NO STRIKE, NO LOCKOUT 15
SECTION 28. SEPARABILITY 15
SECTION 29. FUTURE NEGOTIATIONS 15
SECTION 30. EFFECTIVE DATE..... 15
EXHIBIT A 17
EXHIBIT B 18

This Memorandum of Understanding (hereinafter MOU) is entered into pursuant to the Meyers-Milias-Brown Act (California Government Code Section 3500 et seq.), the City Charter of the City of Napa, and applicable ordinances and resolutions of the City of Napa, by and between the City of Napa (hereinafter City) and the Police Management Unit (hereinafter Management Unit). As a result of meet and confer sessions, the City and Management Unit have agreed to the following:

Section 1. Classification

- 1.1 The City recognizes Management Unit as the certified employee organization representing the following classes of employees: Police Captain and Police Lieutenant.
- 1.2 As used in this MOU, the term "member" shall mean an employee in a classification of Police Captain or Police Lieutenant, who is a member of the Management Unit.
- 1.3 The City agrees that the classifications represented by the Management Unit are management classifications. Management Unit agrees that, upon adoption of policies by the City Council and City Management, they will represent and support such adopted policies.

Section 2. Term

The term of this MOU shall be from January 1, 2016 through December 31, 2018.

Section 3. Compensation

- 3.1 The City hereby approves the salary increase for each position identified in Exhibit "A" in the percentage amounts of 3.0% (effective June 4, 2016), 3.0% (effective December 31, 2016) and 3.35% (effective December 30, 2017). After these salary increases are implemented on their respective effective date (June 4, 2016, December 31, 2016 and December 30, 2017), the salary range for each position is as identified in Exhibit "A," attached hereto and incorporated herein by reference.

Beginning in October 2017, the Parties agree to re-open discussions to evaluate salary compaction and market issues between Police Lieutenants and Captains. All terms of this MOU will remain in effect during the term of this MOU, unless the Parties agree in writing to modify the terms.

- 3.2 In recognition of the management structure of the Police Department, members will be compensated for Peace Officers Standards & Training (POST) Certificate Pay as follows:

For possession of a POST Supervisory Certificate, Lieutenants shall be compensated an additional one hundred sixty one dollars and ninety-six cents (\$161.96) per pay period and Captains shall be compensated an additional one hundred eighty two dollars and nine cents (\$182.09) per pay period.

For possession of a POST Management Certificate, Lieutenants shall be compensated an additional two hundred forty two dollars and ninety four cents (\$242.94) per pay period and Captains shall be compensated an additional two hundred seventy three dollars and fourteen cents (\$273.14) per pay period.

Such POST supervisory certificate and POST Management certificate pay will be solely during the term of this MOU or until a successor memorandum of understanding is negotiated.

- 3.3 Members may be paid the equivalent of one-and-one-half times their hourly rate when they are detailed to work for an emergency event which qualifies for Federal Emergency Management Agency (FEMA) or California Office of Emergency Services (OES) reimbursement and FEMA or OES reimburses the City at the higher hourly rate.
- 3.4 When members are assigned to provide services at a special event that requires on site public safety management oversight and where the City is eligible for special event reimbursement for the staffing costs of the member, the Chief of Police may authorize the City to pay the member at his or her straight-time hourly rate for hours worked outside of the member's normal schedule at the special event.
- 3.5 Employment transactions which effect a member's pay or retirement contributions shall be effective the first day of a 2-week pay cycle. This includes merit increases, promotions, transfers, reclassifications, starting and ending specialty pays and acting assignments. Merit increases, which are due on a member's anniversary date, shall be made effective the beginning of the pay period in which the effective date occurs.
- 3.6 If during the term of the MOU the State of California amends the California Public Employment Retirement Law to change the definition of PERSable compensation, upon request of the Management Unit the parties shall reopen the MOU to meet and confer over potential impacts identified by the Management Unit.
- 3.7 If during the term of this MOU, the City reaches an agreement with NPOA which has a net impact in terms of changes to wages and benefits which exceeds (during the term of this MOU) the net impact in terms of changes to wages and benefits provided under this MOU, Management Unit shall receive an equivalent benefit which shall be negotiated by the parties.

Section 4. Uniform Allowance

- 4.1 The City shall pay each member five hundred fifty-five dollars and ninety cents (\$555.90) per year for uniform allowance.

Effective with the pay period beginning December 30, 2017, the City shall pay each member nine hundred thirty six dollars (\$936.00) per year for uniform allowance.

4.2 Uniform allowance for all members shall be paid over 26 pay periods. During the term of the MOU, the City may change the method and timing of payment as part of a new payroll system implementation.

4.3 It is understood that the amount paid hereunder constitutes a reimbursement to members for expenses actually and necessarily incurred in the purchase, maintenance, and cleaning of the uniforms such members are required to wear.

Section 5. Acting Pay

The positions covered by this MOU accept the fact that they may be required to perform at a higher classification from time to time and shall receive no additional salary therefore; provided, however, that a Captain who is assigned to the position of Chief, or a Lieutenant who is assigned to the position of Captain, and acts in that position for more than thirty (30) consecutive calendar days shall be entitled to receive acting pay from and after expiration of the thirty (30) days until completion of the assignment. Acting Pay shall be at least 7% above top step Captain or Lieutenant, as applicable.

Section 6. Promotions

Upon promotion in rank to the position of Lieutenant or Captain, the City shall adjust the salary of the promoted member to Step M.

Section 7. Holidays/Holiday Pay

The following listed holidays shall be recognized, entitling members to "Holiday Pay," which will be paid in accordance with PERS rules:

- | | |
|-----------------------------------|------------------------|
| New Year's Day | Columbus Day |
| Martin Luther King Jr.'s Birthday | Admissions Day |
| Washington's Birthday | Veterans Day |
| Lincoln's Birthday | Thanksgiving Day |
| Memorial Day | Day After Thanksgiving |
| Independence Day | Christmas Eve Day |
| Labor Day | Christmas Day |

The parties acknowledge that the City will remain open for business on Lincoln's Birthday, Washington's Birthday, and Admissions day. At such time as the City Council grants Cesar Chavez as a holiday for City employees then that holiday will also be added to Section 7.

Section 8. Vacation

8.1 Vacation shall be accrued as follows:

<u>Years of Service</u>	<u>Accrual Hours/Year</u>
0-4	120.00
5-9	137.14
10-12	154.28
13-16	171.43
17-19	188.57
20+	205.71

8.2 The daily accrual rates specified above are subject to revision based on the City's conversion to an annual work schedule of 2080 hours.

8.3 Vacation Accrual Cap

- a. The maximum carry-over of accrued vacation will be two hundred eighty (280) hours (as of the last day of the pay period containing December 31 of each year).
 - 1. Members may accrue more than two hundred eighty (280) hours of vacation during the calendar year, but vacation hours in excess of 280 ("excess hours") are not vested and may not be carried over into subsequent years.
 - 2. During the month of December, members will have the opportunity to donate any excess hours to the City's catastrophic leave bank.
 - 3. Except as provided in 8.3(b), below, all members with excess hours as of the last day of the pay period containing December 31 will have their accruals adjusted to 280 hours.
- b. Each December 31, the City Manager may approve a carry-over of an additional forty (40) hours (for a total carry-over of 320 hours, 280 hours plus 40 hours) for special purposes.

8.4 During the month of December of each year, members with maximum accrued vacation hours may make an irrevocable election to cash out up to eighty (80) hours of vacation in the following calendar year. Cash outs must be made by the first payroll period in December of the following year. Vacation balance after cash out cannot be negative.

8.5 All other aspects and practices regarding vacation benefits shall continue in effect.

Section 9. Sick Leave

9.1 Members shall receive sick leave as follows:

	<u>Hours/Year</u>	<u>Daily Accrual Rate</u>
Sick Leave	96	.26374

Daily accrual rate subject to change based on payroll calculations converting to a 2080 hour annual work schedule.

9.2 Members shall accrue twelve (12) days sick leave benefit per year. Members may convert from the twelve (12) days sick leave accrual to four (4) days sick leave and four (4) days vacation leave accrual, or no (0) days sick leave and six (6) days vacation leave accrual. Sick leave days converted to vacation leave under this provision may be used for sick leave purposes. Existing credits continue.

9.3 Members may convert existing sick leave balances to vacation days as follows:

A maximum of fifteen (15) sick leave days may be converted to vacation days, once a year, as described below, at a ratio of three (3) sick leave days to one (1) vacation day per calendar year.

9.4 Members wishing to exercise either or both of the above options in must notify the Finance Department during the month of December. Conversion shall become effective at the end of the pay period which contains January 1.

Section 10. Management Leave

10.1 Members are exempt from the Fair Labor Standards Act and shall be entitled to one hundred four (104) hours of management leave with pay each year. Management leave shall be prorated for employees hired or promoted into the Management Unit represented positions partway through the year and shall be made available the first of the month following their date of hire or promotion.

To facilitate the transition of management leave accruals from a fiscal year (July through June) to a calendar year basis (January through December), the following provisions shall apply:

- a. Effective July 1, 2016, members shall earn 50% of their annual management leave accrual.
- b. Effective January 1, 2017, members shall earn 100% of their annual management leave accrual.

10.2 Members may cash out up to fifty percent (50%) of their annual management leave accrual and the balance shall be used during the year granted or it may be donated to the Catastrophic Leave Bank. Any unused balance will be forfeited.

10.3 The City Manager is authorized to allocate up to two (2) days additional management leave, on an annual basis, to members authorized to receive management leave, if they have worked above and beyond what would be considered normal work requirements during an emergency event and/or

under unique circumstances. The member has the option of taking the additional management leave in time off or in the form of pay.

Section 11. Bereavement Leave

In the event of a death in the immediate family of a member, the member shall, upon request, be granted such time off with pay as is necessary to make arrangements for the funeral and attend same, not to exceed three (3) regularly scheduled work days. Such bereavement leave shall not be deducted from any accrued leaves including vacation, CTO, and/or sick leave. The member may use five (5) days of sick leave in addition to bereavement leave, consistent with the time limitations for sick leave in the event of the death of an immediate family member. For the purpose of this provision, the immediate family shall be restricted to father, mother, brother, sister, spouse, registered domestic partner, child, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparents, grandchildren, stepparents, and stepchildren where there is a child-rearing relationship. Upon reasonable belief that a member is using bereavement leave in a manner inconsistent with this section, the City shall have the right to request reasonable evidence to substantiate use of bereavement leave.

Section 12. Time Off for Management Unit Business

The City agrees to allow a maximum total time off without pay up to forty (40) hours per calendar year to conduct Management Unit business. Such time off shall be governed by existing vacation notification rules.

Section 13. Health Services Contributions

13.1 The City agrees to offer the PERS health benefits program. The City also agrees to pay the statutory Public Employees Medical and Hospital Care Act (PEMHCA) minimum (determined annually by CalPERS) per month towards the cost of health insurance available through PERS for each active member and an amount for each retiree as determined each year based on the "unequal contribution" method as prescribed by PEMHCA. The member agrees that he/she is liable for the difference between the total cost of the health plan he/she chooses, and the statutory PEMHCA minimum.

13.2 Effective July 1, 2015, for members enrolled in a City medical plan, the City will contribute either eighty-five percent (85%) of the Kaiser HMO monthly premium, or the following amounts, whichever is greater, based on the member's enrollment status:

Employee only	\$ 675.00
Employee plus one	\$1,350.00
Family	\$1,795.00

The City's contribution includes the statutory PEMHCA minimum for active members. Members will contribute on a payroll deduction basis the amount of premium, if any, that exceeds the City's contribution.

Management Unit retirees who opt for coverage under the CalPERS Plan will enter at the minimum required CalPERS rate. It is the intent of the City not to cover retirees beyond the minimum required PERS contribution.

13.3 Effective July 1, 2014, the City's contribution to dental insurance will be fixed as follows:

Employee only	\$ 52.85
Employee plus one	\$ 89.86
Family	\$137.43

The City will provide the plan known as "Delta Care" as an alternative dental plan. In the event that there are rate increases during the term of this MOU, members will contribute on a payroll deduction basis the amount of the premium, if any, that exceeds the City's contribution.

13.4 As part of its shared interest in exploring options to reduce the cost of City-provided Health Benefits and Welfare Benefits, the Management Unit agrees to participate in a multi-unit Health Benefits Advisory Committee that will explore options and discuss Health Benefits issues through the term of this MOU. The Committee may make recommendations to the parties regarding appropriate modifications to the current benefits provided by the City.

13.5 In lieu of coverage under a health plan provided by the City or under CalPERS, a member who provides proof of coverage comparable to that provided by the City or CalPERS through a spouse or other source will be paid by the City an in-lieu payment of five hundred dollars (\$500) per month. Such payment will be in cash. The member must complete a form provided by the City's Finance Department. Reenrollment in a plan provided by the City or CalPERS other than during the annual open enrollment period will be permitted only in the event of a significant personal event (i.e., death of a spouse, divorce, loss of spousal coverage, etc.), and will be subject to the requirements of the health plan provider or CalPERS.

13.6 Proration of Benefits. There shall be no proration of member benefits (i.e., the City cost of providing health and welfare insurance, vacation, sick leave, holidays, etc.) for members working less than twenty-four hours per week. Any deduction shall be made pursuant to the FLSA.

13.7 The City will implement the provisions of Internal Revenue Service Code Sections 125 and 129, allowing payment of certain dependent and health care expenses on a pre-tax basis.

Section 14. Other Insurances

Life Insurance:

14.1 The City shall continue to contribute premiums for life insurance coverage of \$50,000 during the period of employment of each member. After July 1, 1984, future retirees shall not be entitled to payment of the premium for said insurance policy by the City after retirement from City employment. However, future retirees shall be entitled to convert all or any portion of said insurance policy at the then existing individual premium rate. Members shall be entitled to purchase an additional amount of life insurance if available.

- 14.2 Members shall have the option to purchase, solely at the member's expense, additional life insurance through the City's insurance broker, up to a maximum amount of \$250,000.
- 14.3 Effective July 1, 1984, members shall not be entitled to City-paid life insurance premiums on retirement. (Conversion to retiree-paid premiums upon retirement is optional).
- 14.4 Upon expiration of this MOU, the dollar amounts then being paid for these insurance premiums by the City shall remain fixed until the execution of a successor memorandum of understanding.

Accidental Disability:

- 14.5 Those members who elect to take the combined insurance coverage for accidental disability shall be billed for said premium through payroll deduction as currently being administered.

Section 15. Deferred Compensation

A 457 Deferred Compensation Plan is available to all members. If a 401K Plan and Administrator are agreed upon by the City, at the City's option, the 401K Plan will additionally be offered to all members.

Section 16. Automobile Allowance

In lieu of utilizing a pool vehicle provided by the City, a member may choose to opt for an auto allowance of two hundred seventy five dollars (\$275.00) per month. If there is a change to the City's Travel Policy during the term of the MOU resulting in an increase for those members eligible for the \$275 allowance, the same increase will apply to members. A member choosing this option will be responsible for maintenance and insurance of his or her vehicle. The member may submit requests for reimbursement for additional travel expenses in accordance with the City Travel Policy.

Section 17. Performance Bonus

Upon recommendation of the Department Manager and the approval of the City Manager, a member may be granted a performance bonus of two percent (2%), three percent (3%) or five percent (5%) of base salary only for special and outstanding performance in accordance with the City's Administrative Policy entitled "Criteria for Annual Performance Pay System." Such bonus will be paid in a one-time, lump-sum payment, generally within thirty (30) days of approval, and shall be subject to legal and required tax deductions.

Section 18. Working Hours/Work Schedules

- 18.1 Daily working hours for members shall be flexible, provided the amount of hours in the normally scheduled work day is performed. The Police Chief shall have the sole discretion of assigning working hours and work schedules.
- 18.2 It is agreed that all members shall be on an official forty (40) hour work week.

Section 19. Retirement

- 19.1 The City shall provide retirement benefits to all members in this Section. The single highest year retirement benefit will be provided for as stated in Section 20042 of the Government Code and with increased non-job related disability benefits providing for thirty percent (30%) of final compensation upon five (5) years of service with an improvement of one percent (1%) for each additional year to a maximum of fifty percent (50%) as provided for under Government Code Section 21427. For members hired by the City into a position in this Management Unit or the NPOA bargaining unit on or after January 1, 2012 three-year average on final compensation will be provided for as stated in Government Code Section 20037.
- 19.2 The City shall provide the benefit known as Fourth Level 1959 Survivor Benefit pursuant to Government Code Section 21574 effective July 1, 1997. The members agree to pay two dollars (\$2.00) per month for this benefit.
- 19.3 The City will contract with PERS for the Military Service Credit as provided for under Government Code Section 20996.
- 19.4 Members are entitled to convert unused accumulated sick leave to service credit as provided for under Government Code Section 20965.
- 19.5 Effective December 1, 2004, the City will contract with PERS for the "three percent (3%) at age 50" retirement plan as provided for under Government Code Section 21362.2.
- 19.6 For members hired by the City into a position in this Management Unit or the NPOA bargaining unit on or after January 1, 2012, the City will contract with PERS to provide the "three percent (3%) at age 55" retirement plan as specified in in Government Code Section 21363.1. If members of NPOA, hired by the City before January 1, 2012, are promoted to a position within this Management Unit, they shall be provided retirement benefits as indicated in section 20.4.
- 19.7 For new employees, as defined by the Public Employees' Retirement System (PERS), hired on or after January 1, 2013, retirement benefits shall be those established by the Public Employees' Retirement System (PERS) for Local Safety Members 2.7% at age 57 formula, highest three years. Employees will pay the full employee contribution (50% of the Normal Cost of the benefit).
- 19.8 The following provisions define the agreement between the parties under which members will pay a portion of the City's contribution towards PERS retirement benefits ("Employer Contribution"). The Employer Contribution is established annually by PERS and communicated to the City in October or November of the fiscal year prior to the effective date.
- a. The members have agreed to share (50/50) the Employer contribution when the Employer contribution falls between twenty-one percent (21.00%) and thirty-two percent (32.00%) ("Member Paid Employer Contribution"). The maximum Member Paid Employer Contribution is 5.5% (i.e., 32-21 divided by 2).

- b. If the Employer Contribution (including the 5.5% "Member Paid Employer Contribution") drops below 32.0%, the parties will meet to adjust the cost share percentage to comply with subsection 19.8(a).
- c. The City has modified its contract with PERS to reflect the Member Payment of the Employer Contribution, which will result in Member Paid Employer Contribution being deposited into the Member's account.
- d. Pursuant to Government Code section 20516, all current and future members, effective the pay period beginning June 4, 2016, shall pay the additional cost share amounts as shown in the table below based on the employee's retirement tier:

Retirement Tier	PERS Plan	Pre-Tax Required Employee Contribution	Pre-Tax Cost Share	Total Cost Share
1	3.0% @ 50	9%	5.5%	14.50%
2	3.0% @ 55	9%	4.0%	13.00%
3	2.7% @ 57	11.25%	3.0%	14.25%

- e. The City shall deduct the member's entire contribution (including the Member Paid Employer Contribution) on a pre-tax basis pursuant to IRC section 414 (h)(2).
- f. In the event that the City is precluded from collecting the Member Paid Employer Contribution or is unable to make the deduction on a pre-tax basis, the parties will immediately meet and confer to cure the defect. During that meet and confer process, the City shall reduce its contribution to health insurance by an amount equal to the Member Paid Employer Contribution, with any excess deducted from the member's paycheck.
- g. The City shall provide the Management Unit with a copy of the annual actuarial valuation provided by CalPERS and any other correspondence from CalPERS directly relating to the CalPERS contract covering members within five (5) business days of receipt.

Section 20. Retiree Medical

The various retiree medical benefits for members as described in Sections 20.2, 20.3, 20.4 and 20.5 are summarized in Exhibit "B," attached hereto and incorporated herein by reference.

20.1 The retired member must enroll in a Medicare supplemental insurance program when they become eligible for Medicare. The Medicare supplemental insurance premium, along with the cost of the

retiree's private health plan, will become the new maximum that the City will pay up to in accordance with 20.3.2.

20.2 For those members hired between July 1, 1984 and July 1, 1987 inclusive and who were members of the Management Unit on July 1, 2007, the City will contribute the single party retiree monthly premium Kaiser health insurance rate. This payment shall remain in effect for the life of the retiree only.

20.3 Members hired on or after July 1, 1987, who were part of the Management Unit as of June 30, 2011, shall have the option of choosing either Sick Leave Conversion (20.3.1) or Supplemental Payment (20.3.2) at the time of retirement, as described hereinafter.

20.3.1 Sick Leave Conversion

Members shall be permitted to convert no more than the equivalent of one hundred eighty (180) days of unused sick leave to paid-up insurance upon retirement.

- a. The City agrees to allow members to convert unused sick leave into single party retiree monthly premium Kaiser health insurance at the rate of one day for one (1) month's premium, based upon a forty (40) hour week, so long as the amount contributed does not exceed actual premiums, provided however, that this benefit shall not be given for sick leave days used for the retirement credit provided for under the second sentence of Section 19.4 above.

20.3.2 Supplemental Payment

Upon retirement eligible members may receive health premium reimbursement as described herein, provided that the member meets and abides by all of the following qualifications (the following qualifications set forth in subsections 20.3.2.a and 20.3.2.b do not apply to eligible members utilizing Section 20.3.1):

- a. The member must have worked for the City a minimum of ten (10) years and taken a service or disability retirement from the City and actually draw a PERS pension within ninety (90) days of separation from the City provided the member remains enrolled in an eligible healthcare plan. The member must be enrolled in an eligible healthcare plan.
- b. The full cost of the retired member's participation in one of the medical plans shall be deducted from the member's retirement check subject to 20.3.2.c (less any PERS-required City contribution, if applicable).
- c. A member retiring and who meets the conditions described above will receive a supplemental payment by the City toward the member's retiree medical coverage of \$237 per month. This payment shall remain in effect for the life of the retiree only. The payment shall cease upon death of the retiree, re-employment of the retiree in a capacity where they again are earning a PERS retirement benefit, or the retiree fails to meet the other applicable

conditions specified in this section. However, the retiree may elect to use this supplemental payment for another health plan provided they submit documentation that provides proof of paid health insurance coverage to the City of Napa Finance Department (annually) to verify that payments are being used to supplement the retiree's health care premiums. It will be the retiree's responsibility to maintain current addresses on record with the City of Napa. If checks are returned from the last designated address without correction from the retiree for more than two months, this shall result in cancellation of the supplemental payment. Appeals for reinstatement and/or back payments shall be made to the Finance Department with a final appeal to the City Manager.

i. The dollar amount of the supplemental payment for retiree health insurance shall be fixed and remain at the rate in effect upon the date of retirement.

d. Members who promoted from the Napa Police Officers' Association into the Management Unit on or after June 1, 2013 or members who were hired into the Management Unit on or after January 17, 2015 from an outside agency or as a lateral hire, shall not be eligible to receive a supplemental payment by the City towards the member's retiree medical coverage.

20.4 Members who (1) promoted into the Management Unit from the NPOA on or after June 1, 2013; (2) were employed with the City of Napa and were a member of the NPOA as of June 30, 2012; and (3) whose combined age-plus-years-of-service with the City of Napa on July 1, 2012 was equal to or greater than 61 are eligible for the sick leave conversion benefit described in Section 20.4.1 and contributions to the PORAC Retiree Medical Trust described in Section 20.5, shall be eligible for the following:

20.4.1 Sick Leave Conversion Benefit. In order for a member to qualify for the sick leave conversion benefit described below, the member must take a service or disability retirement from the City and actually draw a PERS pension within ninety (90) days of separation from the City. If the retired member ceases drawing a pension or re-enters the work force and is employed by another PERS agency for more than 960 hours per year, the sick leave conversion benefit ceases and the retired member waives the right to the benefit. Such waiver shall be irrevocable.

Members who meet the eligibility requirements in the paragraph above shall be permitted to convert up to the equivalent of one hundred eighty (180) days of unused sick leave into single-party health insurance at the rate of one (1) day of sick leave for one (1) month's premium, based upon a forty (40) hour week, so long as the amount contributed does not exceed actual premiums, provided however, that this benefit shall not be given for sick leave days used for the retirement credit for military service pursuant to Government Code section 21024 and to convert unused accumulated sick leave to service credit as provided for under Government Code section 20965.

Eligible members who plan to convert unused sick leave into single-party health insurance shall make an election at the time of retirement. For any period of time that a retiree is not enrolled in the PERS health benefit program, for each month not enrolled, the unused day of sick leave shall be converted to a credit which is equal to the current dollar value of the monthly health insurance premium at the single party rate. The monthly credit shall be banked. Upon the retiree's enrollment or re-enrollment in the PERS health benefit program, the retiree shall first use any remaining unbanked and unconverted sick leave for health insurance premiums. Once all sick leave has been converted and used, the retiree shall then exhaust the banked credit for health insurance premiums. The banked credits are not transferable and may only be used for the health insurance premiums of former members/current retirees.

20.5 PORAC Retiree Medical Trust.

The Management Unit will join the PORAC Retiree Medical Trust (Trust), following adoption of the Tentative Agreement by City Council and with an effective date of June 4, 2016. The sole purpose of the Trust is to provide funding for medical expenses and health insurance costs for eligible retirees, or qualified family members of eligible retirees as established by the Trust. The City and the Management Unit agreed that participation in the Trust is the complete and sole responsibility of the Management Unit. The City shall not have any involvement in the Trust's design, its administration or in the benefits paid, nor shall the City have any responsibility for any actions of the Trust or its trustees or of the Management Unit with respect to the Trust. The Management Unit has agreed to indemnify, defend and hold harmless the City, its agents, officers, and employees, against any and all claims or legal proceedings regarding the operation of the Trust.

Members who promoted from the Napa Police Officers' Association into the Management Unit on or after June 1, 2013 or members who were hired into the Management Unit on or after January 17, 2015 from an outside agency or as a lateral hire, shall be eligible to receive the same monthly contribution to the Trust as the City makes on behalf of employees in the unit represented by the NPOA.

- a. Effective June 4, 2016, the City shall contribute \$150 per month on behalf of each member toward the Trust and each member will contribute \$250 per month (24 pay periods) to the Trust (pre-tax).
- b. The City agrees to pay to the Trust the joinder fees in an amount of \$50.00 per member for a total not to exceed \$250.00, for the establishment of a Management Unit account with the PORAC Trust.

Section 21. Purchase of Firearm at Retirement

Upon retiring with an "Honorable" or "Medical" retirement from the Napa Police Department, and obtaining a Retirement Police ID from the Chief of Police that allows the retiree to carry a concealed weapon in accordance with all applicable Federal and State Laws, the retired member

shall be able to purchase the firearm that was issued to him or her from the City of Napa at the fair market value at the time of their retirement.

The retiree shall be responsible to pay for any and all charges relating to the transfer of the firearm from the City of Napa to the retiree. The transfer of the firearm shall take place through a licensed firearms dealer.

Section 22. Residency

Members may reside up to sixty (60) minutes driving time from the Police Department, observing existing traffic laws, as determined by MapQuest or an equivalent mapping program.

Section 23. Body Armor

The City agrees to provide all body armor for all members and shall repair or replace issued body armor in conformance with industry standards and manufacturer's recommendations. City issued body armor which is regularly used by the member to whom it is issued shall be replaced every five (5) years, if requested by the member.

The City shall issue body armor that is in conformance with National Institute of Justice (NIJ) rating as adequate for normal duty use (no less than level 2A). If a member chooses to purchase a vest that exceeds the above requirements, the City will reimburse that member for the cost of said vest, not to exceed three hundred fifty dollars (\$350.00).

Issued body armor which is damaged through improper care or use shall be subject to repair or replacement at the member's expense.

Section 24. Americans with Disabilities Act

The City and the Management Unit recognize that the city has an obligation under the Americans With Disabilities Act (ADA) to meet with individual members who request reasonable accommodation in the work place because of a disability. The Management Unit will be advised of any proposed accommodation prior to implementation which is in potential conflict with this MOU or past practice or any way, hour or working condition. The Management Unit will be afforded the opportunity to consult with the City about the impact of such accommodation(s).

Section 25. Fiscal Emergency

In the event it becomes necessary for the City to use funds from its Emergency Reserves (as defined by City fiscal policy adopted in Fiscal Year budget 2015-2017, which is 14% of the General Fund budgeted operating expenditures) for operational purposes, or in the event of an unanticipated event causing a fiscal crisis, the City shall have the right to reopen the MOU for the purpose of negotiating a furlough affecting members covered by this MOU, after first conducting a public hearing and declaring thereafter that a Fiscal Emergency exists in the City of Napa.

Section 26. Full Understanding

The parties agree that this MOU sets forth the full and entire understanding of the parties regarding the matters set forth herein. There shall be no changes in any matter covered by the express provisions of this MOU without the mutual consent of the parties. If the City proposes a change in any matter within the scope of representation (as defined by the Meyers-Milias-Brown Act) which is not covered by this MOU, then the parties agree to meet and confer in good faith prior to the implementation of such change. Except as expressly provided herein, the parties knowingly waive any right they might otherwise have to meet and confer during the term of this MOU.

Section 27. No Strike, No Lockout

During the term of this MOU, the City will not lock out any member and no member will engage in, cause, or encourage any strike, slow down, concerted refusal to work, or other interruption of the City's operation.

Section 28. Separability

If any provision of this MOU should be held invalid or restrained by operation of law or by any court of competent jurisdiction, the remainder of this MOU shall not be affected thereby, and the parties shall enter into negotiations for the sole purpose of arriving at a mutually satisfactory replacement for such provision.

Section 29. Future Negotiations

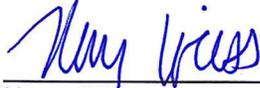
Both Parties shall commence the meet and confer process during the first week of September 2018 with respect to a successor memorandum of understanding to take effect January 1, 2019.

Section 30. Effective Date

- 30.1 This MOU shall become effective upon approval by the City Council of the City of Napa, and upon being signed by the City Manager (or his designee) and the representatives of the Management Unit; provided, however, that unless otherwise specified herein, upon being signed, the effective date of this MOU shall be January 1, 2016.
- 30.2 Upon expiration of this MOU, the terms and provisions herein shall continue in effect from year-to-year unless any party submits to the other at least thirty (30) days prior to the expiration, its initial proposal for alterations or amendments to the MOU. In event of such notification, the terms and provisions herein shall continue in effect until a successor memorandum of understanding is reached in the manner described hereinabove, provided that nothing contained herein prohibits the parties from mutually agreeing to retroactivity of any benefit once a successor memorandum of understanding is reached.

This Memorandum of Understanding is executed at Napa, California, by the City of Napa on this 2ND day of NOVEMBER, 2016 and by the Police Management Unit this 2ND day of NOVEMBER, 2016.

CITY OF NAPA:



Nancy Weiss, Assistant City Manager

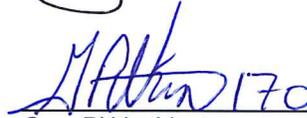


Desiree Brun, Assistant to the City Manager

POLICE MANAGEMENT UNIT:



Jennifer Gonzales, Captain



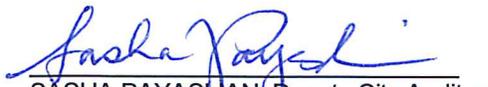
Gary Pitkin, Lieutenant

ATTEST:



DOROTHY ROBERTS, City Clerk
Johanna Steason, Deputy City Clerk

COUNTERSIGNED:



SASHA PAYASLIAN, Deputy City Auditor

APPROVED AS TO FORM:



MICHAEL W. BARRETT, City Attorney

EXHIBIT A

**POLICE MANAGEMENT UNIT
SALARY SCHEDULE**

Effective date	6/4/2016		12/31/2016		12/30/2017	
Negotiated Increase	3%		3%		3.35%	
STEPS	POLICE LIEUTENANT	POLICE CAPTAIN	POLICE LIEUTENANT	POLICE CAPTAIN	POLICE LIEUTENANT	POLICE CAPTAIN
A	126,985	142,820	130,795	147,105	135,176	152,033
B	128,258	144,250	132,106	148,578	136,531	153,555
C	129,544	145,692	133,430	150,063	137,900	155,090
D	130,842	147,149	134,767	151,563	139,282	156,641
E	132,153	148,618	136,118	153,077	140,678	158,205
F	133,462	150,101	137,466	154,604	142,071	159,783
G	134,817	151,597	138,862	156,145	143,513	161,376
H	136,167	153,119	140,252	157,713	144,950	162,996
I	137,531	154,655	141,657	159,295	146,402	164,631
J	138,909	156,202	143,076	160,888	147,869	166,278
K	140,300	157,764	144,509	162,497	149,350	167,941
L	141,714	159,337	145,965	164,117	150,855	169,615
M	143,120	160,925	147,414	165,753	152,352	171,305
N	144,550	162,538	148,887	167,414	153,874	173,023
O	145,993	164,166	150,373	169,091	155,410	174,756
P	147,450	165,806	151,874	170,780	156,961	176,501
Q	148,919	167,458	153,387	172,482	158,525	178,260
R	150,415	169,137	154,927	174,211	160,118	180,047
S	151,922	170,831	156,480	175,956	161,722	181,850
T	153,444	172,534	158,047	177,710	163,342	183,663

EXHIBIT B

RETIREE MEDICAL BENEFITS (Criteria for Eligibility)

Eligibility Criteria	Lifetime Medical (Section 20.2)		Sick Leave Conversion (Section 20.3.1 or 20.4.1)		Supplemental Payment (Section 20.3.2)	Retiree Medical Trust (RMT) (Section 20.5)
1. Hired between 7/1/84 and 7/1/87; and 2. A member of the Management Unit on 7/1/07	Yes	OR	Yes	OR	Yes	No
1. Hired on or after 7/1/84; and 2. Member of the Management Unit as of 6/30/11	No		Yes	OR	Yes	No
1. Employed by the City and a member of NPOA as of 6/30/12; and 2. Promoted from NPOA into the Management Unit on or after 6/1/13; and 3. Whose combined age-plus-years-of-service with the City of Napa on July 1, 2012 was equal to or greater than 61.	No		Yes	AND	No	Yes
1. Employed by the City and a member of NPOA as of 6/30/12; and 2. Promoted from NPOA into the Management Unit on or after 6/1/13; and 3. Are not eligible to utilize Section 20.4.1 of this MOU.	No		No		No	Yes
1. Hired on or after 1/17/15; and 2. Member of the Management Unit as of 1/17/15; and 3. Hired from outside Agency or as a lateral hire - not a member of NPOA.	No		No		No	Yes

