



CITY OF PACIFIC GROVE
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of City Council

FROM: Leticia Livian , Human Resources Analyst and Donna Williamson
Attorney, Liebert Cassidy Whitmore

MEETING DATE: September 21, 2016

SUBJECT: Memorandum of Understanding between the City of Pacific Grove
and the Police Officers Association (POA)

CEQA STATUS: This action does not constitute a “Project” as defined by CEQA.

RECOMMENDATION

Approve a resolution approving the Memorandum of Understanding between the City of Pacific Grove and the Police Officers Association to cover the period of January 1, 2015 through June 30, 2018.

DISCUSSION

The City and Police Officers Association (POA) have been negotiating a successor to the Memorandum of Understanding (MOU) that expired in December 2014.

The attached resolution implements the tentative agreement reached with POA. POA authorized this agreement on September 8, 2016. Below are key items that have been negotiated:

- Multi-year agreement term, ending June 30, 2018.
- Retirement
 - Classic PERS retirement members continue to share the City’s CalPERS employer contribution under Gov. Code Sec. 20516. As soon as administratively possible following ratification and approval, classic members shall contribute 1% towards the employer contribution towards PERS for a total of ten percent (10%) employee contribution.
 - Effective the first full pay period in 2017, classic PERS retirement members shall contribute two percent (2%) towards the employer contribution towards PERS for a total of eleven percent (11%) employee contribution.
 - Effective the first full pay period of December 2017, classic PERS retirement members shall contribute three percent (3%) towards the employer PERS contribution for a total of twelve percent (12%) employee contribution.
- Health Benefits
 - Effective July 1, 2016 following ratification and approval, and ending the last full pay period of December 2016, the City will contribute up to \$600 per month towards a cafeteria plan or provide one-time monthly payments of \$600 for health care transition for bargaining unit members.

- Effective in the first full pay period of January 2017 the City will contribute up to \$800 per month towards the PERS Choice health care premium (or equivalent non-PERS health care option) for plans offered by the City for eligible employees. This contribution applies towards employee only, employee plus one dependent and employee plus family coverage levels. Employees who choose plans that are more expensive than the PERS Choice or equivalent option will have the additional premium costs paid through a payroll deduction.
- Effective in the first full pay period of January 2018 the City will contribute up to \$1,100 per month towards the PERS Choice health care premium (or equivalent non-PERS health care option) for plans offered by the City for eligible employees. This contribution applies towards employee only, employee plus one dependent and employee plus family coverage levels. Employees who chose plans that are more expensive than the PERS Choice or equivalent option will have the additional premium costs paid through a payroll deduction.
- Salary
 - Effective in the first full pay period following ratification and approval of this contract bargaining unit members will receive a 3.8% salary increase.
 - Effective in the first full pay period of January 2017 bargaining unit members will receive a 2.8% salary increase.
 - Effective in the first full pay period of December 2017 bargaining unit members will receive a 2.8% salary increase.

The negotiations were fully collaborative and were based on shared interests of the POA employees, and the City. This is a continuation of the POA's ongoing approach to seek what is best for its members, and to do so in the larger context of what is best for the City as a whole.

Approval of the attached resolution confers authority upon the City Manager to take all steps necessary to implement this MOU.

FISCAL IMPACT

Year One Fiscal Impact: No impact to the budget. (Due to a budget misallocation, \$248,000 is available in the Police Department budget to off-set the cost of year one).

Year Two Fiscal Impact: \$281,028

Year Three Fiscal Impact: \$359,065

The budget was calculated assuming the following factors to capture the possible highest impact to the budget.

- Year one of the contract is budgeted for twelve (12) months.
- For all three years of the contract, it is assumed all seven vacancies are filled at step one of the salary range and the CalPERS retirement is calculated at the lowest PEPRA rates.
- Year two and three of the contract assumes all positions will participate in the City's healthcare plans and fully utilizes the total amount provided to cover the premiums.

The above factors lists the worst case scenario to the budget, however it is more than likely that the total cost will be less than was is being budgeted due to the following reasons:

- Year one of the contract will cost less than the full year costed since it will take effect for only six months before year two begins.
- The budget assumes all vacancies are filled however, most likely the department will continue to experience vacancies throughout the life of the contract.
- Year two and three of the contract assumes all positions will participate in the City's healthcare plans and fully utilize the total amount provided to cover the premiums. Not all POA members will participate in the City's health plan if they are covered through another qualified plan such as a plan through their spouse. Not all plan participants will use the full allowance allotted to them if they are only covering themselves.

ATTACHMENTS

1. Resolution (Draft)
2. The Memorandum of Understanding (MOU) between the City of Pacific Grove and General Employees Association (POA)

RESPECTFULLY SUBMITTED:



Leticia Livian
HUMAN RESOURCES MANAGER



Donna Williamson
ATTORNEY, LCW

REVIEWED BY:



Ben Harvey
CITY MANAGER



David C. Laredo
CITY ATTORNEY

RESOLUTION NO. 16- _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE
APPROVING THE MEMORANDUM OF UNDERSTANDING
WITH THE PACIFIC GROVE POLICE OFFICERS ASSOCIATION.**

FINDINGS

1. The City of Pacific Grove and the Police Officers Association (POA) have negotiated and have reached agreement on a successor Memorandum of Understanding amending the Memorandum of Understanding that governs wages, benefits, hours and working conditions Police Officers Association members.
2. This action does not constitute a “project” as defined by California Environmental Quality Act (CEQA) because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment; and

RESOLUTION

NOW, THEREFORE, THE COUNCIL OF THE CITY OF PACIFIC GROVE DOES RESOLVE AS FOLLOWS:

SECTION 1. The City Council finds each recital set forth above to be true and correct, and by this reference incorporates each as an integral part of this Resolution.

SECTION 2. The City Council approves the attached Memorandum of Understanding with the Police Officers Association that covers the period January 1, 2014 through June 30, 2018.

SECTION 3. The City Manager is authorized to execute all documents and to perform all other necessary City acts to implement the Memorandum of Understanding.

SECTION 4. This resolution confers authority upon the City Manager to take all steps necessary to implement this MOU, and authorizes budget adjustments if necessary to implement expenditures during FY 16/17 and FY 17/18.

SECTION 5. This Resolution shall take effect immediately following its adoption.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE this ____ day of _____, 2016, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

BILL KAMPE
Mayor

ATTEST:

SANDRA ANN KANDELL
Deputy City Clerk

APPROVED AS TO FORM:

DAVID C. LAREDO
City Attorney

**CITY OF PACIFIC GROVE
POLICE OFFICERS' ASSOCIATION
MEMORANDUM OF UNDERSTANDING**

January 1, 2015 – June 30, 2018

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January 1, 2015 – June 30, 2018

**CITY OF PACIFIC GROVE
POLICE OFFICERS' ASSOCIATION
MEMORANDUM OF UNDERSTANDING**

In accordance with state requirements, the City of Pacific Grove, through its negotiating team, and the Pacific Grove Police Officers' Association, through its negotiating team, have met and conferred in good faith on matters within the scope of representation.

As a result of these meetings, the parties make the following Memorandum of Understanding as required and subject to the conditions of Government Code Section 3505.1.

ARTICLE 1. PARTIES

This agreement is made and entered into between the City of Pacific Grove (herein called the "City") and the Pacific Grove Police Officers' Association, (herein called the "Association").

ARTICLE 2. RECOGNITION

2.1 The City recognizes the Pacific Grove Police Officers' Association as the exclusive representative of the employees in the Police Unit.

2.2 Non Discrimination.

The City and the Association will cooperate in pursuing a policy of no discrimination. Unit employees shall have the right to form, join, and participate in the activities of organizations of their own choosing for the purposes of representation on all matters of employer-employee relations including wages, hours, and other terms and conditions of employment. No employee will be interfered with, restrained, coerced, or discriminated against by the City or the Association because of he or she exercised rights established by law.

An employee not joining the Association is exercising his or her rights to self-representation in rights issues.

Nothing in this section prevents the Association and its representatives from representing the classifications in the unit in accordance with the MOU, State and Federal law, and the City of Pacific Grove Personnel Rules and Regulations.

ARTICLE 3. UNIT DESCRIPTION

3.1 The Police Unit consists of all regular employees in the following classifications: Safety Personnel: Police Officer, Corporal, Sergeant, and

ARTICLE 4. COVERAGE

This Memorandum of Understanding applies to employees in the Police Unit as defined in Article 3.

ARTICLE 5. DURATION OF MOU

(Replace existing language with following language)

This MOU shall govern the period of January 1, 2015 through June 30, 2018.

ARTICLE 6. SCOPE OF MOU

All terms, benefits, and conditions of employment contained in this MOU shall remain in full force and effect for the term hereof. So long as there is no material breach of the terms hereof, neither party shall be entitled to meet and confer with respect to any subject fully covered by this MOU. No changes to the provisions of this MOU may be undertaken without the prior written consent of both parties to this Agreement, except as otherwise indicated herein.

ARTICLE 7. GRIEVANCE PROCEDURE

7.1 Definitions

- (a) “Grievant” means an employee(s) filing a grievance.
- (b) “Grievance” is a dispute arising from the application or interpretation of a specific article of this Memorandum of Understanding. “Grievance” is also a dispute arising from an action not covered by the Memorandum of Understanding, but which affects a term and condition of employment as defined in the Meyers-Milias-Brown Act. Provided, the “grievance” does not include disputes regarding management rights, i.e., the merits, necessity, or organization of any service or activity provided by the City, as set out in the Meyers-Milias-Brown Act and as more particularly described in City’s employer-employee organization relations resolution (no. 5249). The City may raise the issue of whether a matter constitutes a grievance during any stage of the grievance process.
- (c) “Immediate Supervisor” is the employee directly supervising the grievant or in his or her absence his or her designee.
- (d) “Day” is a calendar day.

7.2 Informal Step

Before filing a grievance, the grievant shall discuss the matter with his or her immediate supervisor.

7.3 Step One

- (a) If the grievant is not satisfied with the response at the informal step, the grievant shall submit the grievance in writing to his or her immediate supervisor within 14 days of the action causing the grievance or of the date the action reasonably could have been expected to be known to the grievant.
- (b) Within 14 days of filing of the grievance, the immediate supervisor shall respond in writing to the grievance.

7.4 Step Two

- (a) If the grievant is not satisfied with the Step One response, the grievant may bring the grievance to the Chief of Police within 14 days of receipt of the Step One response.
- (b) The Chief of Police shall respond to the grievance in writing within 14 days of receipt of the grievance at Step Two.

7.5 Step Three

- (a) If the grievant is not satisfied with the Step Two response, the grievant may bring the grievance to the City Manager within 14 days of receiving the Step Two response.
- (b) The City Manager shall respond to the grievance in writing within 14 days of receipt of the grievance at Step Three.

7.6 City Council

If the grievant is not satisfied with the opinion rendered by the City Manager, he or she may request a hearing before the City Council. The request must be made within 14 days of the opinion rendered by the City Manager. That hearing shall be held as promptly as possible and in any event no more than 30 calendar days from the date of receipt of the request for hearing. The City Council decision is final.

7.7 Release Time

The grievant shall be entitled to release from duty without loss of pay for the hearing of grievance. Other employees may be released from duty without loss of pay to serve as representatives or witnesses. Such releases are subject to the staffing and operational needs of the Department.

7.8 No Discrimination

There shall be no restraint, interference, coercion, discrimination, or reprisal against any employee for exercising any rights under the grievance procedure.

7.9 Representation

- (a) The employee may be represented by the Association at any step of the grievance.
- (b) An employee is also entitled to represent him/herself individually at any step of the grievance procedure.
- (c) A grievant may not change his or her designation of representative organization, during the processing of a grievance except by mutual agreement of the parties.

7.10 Grievance Withdrawal

By mutual agreement of both parties the grievant and his or her representative may withdraw the grievance at any stage of the grievance procedure by giving written notice to the City representative who last took action on the grievance.

7.12 Waiver of Steps

By mutual written consent of both parties any step of the grievance procedure may be waived.

ARTICLE 8. SICK LEAVE

8.1 Sick Leave

- (a) Each full time employee shall accrue eight hours of sick leave per month.
- (b) There shall be no limit on the amount of sick leave that may be accumulated.

8.2 Sick Leave Buy Out

- (a) Upon termination, other than by retirement, the employee shall be entitled to be paid for 50% of his or her accumulated sick leave, up to a maximum of 1,000 hours, at the time of such termination. (Example accumulated 1200 hours , maximum payout is for 500 hours i.e.: ½ of 1,000 hour limit.) same for b.
- (b) Upon retirement the employee shall be entitled to payment for 50% of any accumulated sick leave, up to a maximum of 1,000 hours, in excess of that for which retirement credit is given.

8.3 Personal Necessity and Bereavement Leave.

- (a) Personal Necessity Leave – Employees may use accrued sick leave in the event of the personal illness of a family member, including father, mother, brother, sister, spouse, registered domestic partner, children, step-children, a grandparent, and in-laws.

(b) Bereavement Leave – Up to a maximum of five days of paid leave will be granted per occurrence in the case of the death of a family member, including father, mother, brother, sister, spouse, child, step parent, step child, grandparent, in-laws, registered domestic partner, child of or any other member of the immediate household.

ARTICLE 9. RETIREMENT

9.1 Retirement Program

The retirement program for unit members includes the following elements:

(a) This subsection shall apply only to employees who are not considered “new members” under the Public Employees’ Pensions Reform Act of 2013 (PEPRA) (i.e. “classic members”).

CalPERS determines who is a “classic member” within the meaning of PEPRA. The City’s retirement plan shall consist of the following provisions:

- A “3% at age 50” benefit formula (see Gov. Code 21362.2).
- Final compensation to be based on the single highest year’s compensation.

(b) For all employees who are “new members” within the meaning of PEPRA, the City’s retirement plan shall consist of the following provisions:

- Defined benefit formula of “2.7% at age 57.” .
- Final compensation based on three highest consecutive years.

(c) Sick leave conversion of 0.004 years of service for each day of accumulated sick leave (see Gov. Code 20965). This benefit is not available for the portion of sick leave cashed out under Article 8.

(d) “Classic members” will pay the entire nine percent (9%) member contribution. “New members” will pay 50% of the total normal cost of their retirement benefit. Pursuant to IRC Section 414 (h)(2), the unit members pay their CalPERS contribution on a pre-tax basis.

(e) Effective as soon as administratively possible following ratification and approval classic members shall contribute one percent (1%) towards the employer contribution towards CalPERS for a total ten percent (10%) employee contribution.

Effective in the first full pay period of January 2017 classic members shall contribute two percent (2%) towards the employer contribution towards CalPERS for a total eleven percent (11%) employee contribution.

Effective in the first full pay period of December 2017 classic members shall contribute three percent (3%) towards the employer contribution towards CalPERS for a total twelve percent (12%) employee contribution.

(f) 1959 survivor benefit (Fourth Level, Government Code 21574) Employees will pay the continuing cost of \$2.00 per month for each employee.

(g) Military Service Credit as Public Service option (Government Code Section 21024).) An employee may elect to purchase service credit for active military or merchant marine service before employment.

ARTICLE 10. HOLIDAYS

10.1 Paid Holidays

Holidays observed shall be as as follows.

- New Year’s Day
- Martin Luther King Day
- Presidents’ Day
- Cesar Chavez Day
- Memorial Day
- Independence Day
- Labor Day
- California Admissions Day
- Columbus Day
- Veterans’ Day
- Thanksgiving Day
- Thanksgiving Holiday (the Friday after Thanksgiving)
- Christmas Eve
- Christmas Day

10.2 Floating Holiday

All members will be credited with an additional 16 hours of vacation on July 1st of each year as annual floating holiday time. If not used within the fiscal year, the hours will be forfeited.

10.3 Holiday Time for Sworn Members

Holiday time for sworn members working a 12-hour shift will be computed as eight hours employees may use vacation or accrued compensatory time to be paid for the difference between 8 and 12 hours.

ARTICLE 11. VACATION

11.1 Vacation credit is provided as follows:

Full Years of Consecutive Service	Hours Earned per Hour* Paid	Maximum Hours Earned/Year
Less than 5	.0385	80
5	.0577	120
6	.0577	120
7	.0615	128
8	.0615	128
9	.0654	136
10	.0654	136
11	.0692	144
12	.0692	144
13	.0731	152
14	.0731	152
15	.0769	160
16	.0808	168
17	.0846	176
18	.0885	184
19	.0923	192
20+	.0962	200

*Straight Time Hours Paid

11.2 Vacation Accumulation

Employees may accumulate vacation to a maximum of 400 hours.

11.3 Vacation Use

As long as there is no disruption in service, vacations will be allowed up to two times annual accrual if the Department is notified at least six months in advance and approves the vacation. This section may not apply in case of emergency or significant staff shortages.

For vacation requests that coincide with shift bid, members shall make their selection in order of seniority. Members who do not make their selection within 24 hours of the shift bid opening shall be passed and placed at the bottom of the list. The Department shall respond to vacation request no later than seven (7) days from submission of the request. Requests for vacation time off outside the bidding process can be made in hourly increments of at least one hour or more.

The maximum amount of vacation time that may be accumulated shall be 440 hours. After December 31, 2012, the maximum amount shall be restored to 400 hours, and the City will compensate any PGPOA member at risk for losing vacation leave for up to 40 hours at that time.

11.4 Vacation Buy Back

Regular employees with over five years of service may sell back to the City up to 40 hours of their vacation in any calendar year if the following conditions are met:

- a) The employee has used (taken) at least 40 hours of vacation during the preceding calendar year.
- b) The employee must have at least 40 hours of vacation remaining after the "cash out" of some of his or her vacation.

ARTICLE 12. HOURS AND OVERTIME

12.1 Shift Hours

The Chief or designee shall have full authority to schedule employees and shifts to include regular patrol shifts of 10 and 12 hours or a combination of the two. Officers assigned to a designated traffic enforcement unit or School Resource duty are not included in "regular patrol" shifts. The Chief shall have the full authority to change schedules and shifts to meet the best interest of the City, provided however that the Chief will not create a shift that reduces staffing below one supervisor (acting or permanent) and two police officers (including corporals.) The Chief shall provide at least 21- days' notice and an opportunity to meet prior to implementing a new shift that does not currently exist.

- (a) Safety personnel assigned to eight-hour shifts and ten-hour shifts shall receive a paid 30-minute lunch period within their shifts. That lunch period may be interrupted to respond to emergencies.
- (b) Safety personnel assigned to 12-hour shifts shall receive two paid 30-minute lunch periods. Those lunch periods may be interrupted to respond to emergencies.

12.2 Call Back and Holdover

Except as provided in Section 12.6, an employee shall be credited with a minimum of two hours of pay at time and one-half if the employee is called back to work. An employee shall be credited with time and one-half for a shift extension period.

12.3 Court Time

- (a) An employee called back to appear in court shall receive a minimum of four hours pay or compensatory time off at time and one-half for each appearance.
- (b) If the off duty employee is scheduled to appear at two or more court appearances, and those appearances are scheduled two or more hours apart, the officer shall receive not less than four hours pay or compensatory time off at time and one-half for each appearance.
- (c) If the off duty officer is scheduled to appear at two or more court appearances, and those appearances are scheduled less than two hours apart, the officer shall receive a minimum of four hours at time and one-half with the overtime commencing at the earliest subpoena time.
- (d) In no case will there be double compensation for overlapping court hours.
- (e) If the off duty officer is scheduled to appear in court and is told he/she is on standby, he/she will have two options as follows:

Option (1). Standby will be treated as court time from the time the officer reports to the Police Department for duty. The officer will be eligible for compensation at time and one-half for the time he/she is on duty in the Department. During such periods of standby in the Police Department, the officer will be assigned to perform such other duties as directed by the Police Chief. It will be the officer's responsibility to ascertain when he/she must be in court, and to be there as directed by the Court Coordinator or deputy DA of the District Attorney's Office.

Option (2). If not reporting for duty, such standby shall be on an unrestricted call back basis. During such unrestricted standby the officer will be entitled to compensation at straight time until he/she is released or reports to court. The officer must report his or her status to the Department at the beginning of the standby. It will be the officer's responsibility to ascertain when he/she must be in court, and to be there as directed by the Court Coordinator or deputy DA of the District Attorney's Office. Options 1 & 2 shall be at the direction of the on duty watch commander.

- (f) It will be the subpoenaed officer's responsibility to check with the Department, either by telephone or in person, after 1800 hours on the day prior to a court date to determine if the Department has been notified that the subpoenaed officer's court appearance has been canceled. The Department will attempt to notify the officer by telephone. The subpoenaed officer must re-verify the status of the trial by calling the Court Coordinator of the District Attorney's Office after 8:00 a.m. on the date of the trial. In all instances, the subpoenaed officer is responsible for appearing in court when required.

12.4 Compensatory Time Off

Compensatory time off may be granted at a rate not less than one and one-half hours for each hour of employment for which overtime compensation is due. Accumulation of compensatory time will be limited to 288. A compensatory time account will be maintained for each Association member. When the balance in the account is in excess of 288, no further compensatory time will be accrued until the balance in the account is reduced below 288 hours.

- (a) Monthly, on the second pay period of the month, up to 40 hours of compensatory time shall be paid to the member, and the appropriate number of hours reduced from the balance, if the member requests such payment prior to the fifth of each month. At no time shall payments be made that are in excess of the account balance as of the monthly request date.

The maximum amount of compensatory time off that may be accumulated shall be 160 hours.

12.5 Alternate Work Schedule for Police Patrol (12/3 Plan) (The parties agree to meet to update this section following the City's work on looking at the history of the schedules. The parties further agree to add an overtime section to the MOU during those discussions.) To the extent allowed by the Chief, personnel will be assigned 13 workdays of 12 hours in a 28-day cycle. As a result of working only 156 hours of the required 160 hours in a 28-day cycle, all affected personnel will "pay back" four hours each work cycle before any overtime can be accumulated. Management of pay back hours shall be conducted in accordance with Police Department policy on duty schedule and reporting requirements.

12.6 Call Back

Detectives and Investigators, when assigned shall be on unrestricted "call back" status on a rotational basis so that at least one is always available to meet the departmental needs outside of regular working hours. Personnel so assigned shall be entitled to six hours of compensatory time off or vacation for each ten days of unrestricted "call back" status.

With the exception of on call members, members of the association who are issued telephones are not required to check their telephones while off duty and therefore are not authorized to work overtime to check their telephones.

ARTICLE 13. UNIFORM ALLOWANCE

13.1 Uniform Allowance

A uniform allowance of:
\$92.50 per month shall be paid.

13.2 Uniform Patches

The City will provide ten police department patches for each newly hired member, and six such patches annually for all members of the Association.

ARTICLE 14. SAFETY EQUIPMENT

14.1 General Policy

- (a) The City will purchase and supply safety equipment. Equipment purchased by the employee shall be approved by the Chief of Police or designee. The employee will be responsible for all care and maintenance.
- (b) All items of personal equipment and clothing will be replaced or repaired by the City if damaged in performing normal duties.

14.2 Equipment Furnished. The equipment furnished safety personnel is as stated in EXHIBIT A.

ARTICLE 15. HEALTH INSURANCE

15.1 City Paid Premium and Special Optional Benefits

- (a) City shall pay the employer required statutory minimum contribution for employees enrolled in the PERS (PERS-PORAC) health plans as required by the Public Employee Medical and Hospital Care Act (PEMHCA).
- (b) Effective July 1, 2016 and ending the last full pay period of December 2016, the City will contribute up to \$600 per month towards a cafeteria plan or provide one-time monthly payments of \$600 for health care transition for bargaining unit members. This amount is in addition to the PEMHCA statutory minimum contribution.

(c) Effective in the first full pay period of January 2017 the City will contribute up to \$800 per month towards the PERS Choice health care premium (or equivalent non-PERS health care option) for plans offered by the City for eligible employees. This contribution applies towards employee only, employee plus one dependent and employee plus family coverage levels. Employees who choose plans that are more expensive than the PERS Choice or equivalent option will have the additional premium costs paid through a payroll deduction. This amount is in addition to the PEMHCA statutory minimum contribution.

(d) Effective in the first full pay period of January 2018 the City will contribute up to \$1,100 per month towards the PERS Choice health care premium (or equivalent non-PERS health care option) for plans offered by the City for eligible employees. This contribution applies towards employee only, employee plus one dependent and employee plus family coverage levels. Employees who chose plans that are more expensive than the PERS Choice or equivalent option will have the additional premium costs paid through a payroll deduction. This amount is in addition to the PEMHCA statutory minimum contribution.

15.2 Insurance Committee. The Association shall be represented on any insurance committee to review insurance benefits program options.

15.3 Long Term Disability: The City will contribute \$24.50/month per employee to the Association sponsored LTD plan.

15.4 When not an allowable cost under the City health insurance plan, other health insurance plan of the member, or when the cost is only partially covered under such plan, the City will pay up to the full cost of the member's Hepatitis "B" inoculations, when the member so elects to receive this inoculation.

15.5 Retired Employee's Health Insurance Premium Supplement. The City shall pay a health insurance premium supplement of \$150.00 per month to Association members who retire from the City with 20 years or more of City service and who are enrolled in one of the City's health plans. The payment, which will be paid directly to the employee, shall continue for a period not to exceed five years following the effective date of the employee's retirement or upon the employee attaining the age of 65 years, whichever occurs first. This amount is in addition to the PEMHCA statutory minimum contribution.

15.6 Employees who opt out of the CalPERS medical plan and receive cash must provide the following: (1) proof that the employee and all individuals for whom the employee intends to claim a personal exemption deduction ("tax family"), have or will have minimum essential coverage through another source (other than coverage in the individual market, whether or not obtained through Covered California) for the plan year to which the opt out arrangement applies ("opt out period"); and (2) the employee must sign an attestation that the employee and his/her tax family have or will have such minimum essential coverage for the opt out period. An employee must provide the attestation every plan year at open enrollment or within 30 days after the start of the plan year. The opt-out payment cannot be made and the City will not in fact make payment if the employer knows that the employee or tax family member doesn't have such alternative coverage, or if the conditions in this paragraph are not otherwise satisfied.

15.7 The parties agree that either party may reopen negotiations during the term of this MOU to consider the impact of the Affordable Care Act on the City, the Association and its members –

the City employees. This reopener is limited to the impact of the Affordable Care Act and nothing else. The parties agree that neither side will be required to negotiate on any other topic, including, but not limited to compensation and benefits.

ARTICLE 16. COMPENSATION

16.1 Current Salary

Effective in the first full pay period following ratification and approval of this contract bargaining unit members will receive a 3.8% salary increase.

Effective in the first full pay period of January 2017 bargaining unit members will receive a 2.8% salary increase.

Effective in the first full pay period of December 2017 bargaining unit members will receive a 2.8% salary increase.

16.3 Investigator Compensation

(a) Police Officers, Corporals, and Sergeants assigned as Investigators, while serving as such, shall receive an additional 5% in base salary

(b) It is understood and agreed that assignments as investigator and FTO are not deemed to be promotional and is at the pleasure of the Chief of Police and it is expected that the assignment will be rotated from time to time. Such rotation is not subject to the grievance procedure. Upon such rotation to and from the assignment as investigator, compensation and hours will be adjusted as provided in this Agreement. Hours for investigations are subject to FLSA requirements and investigators may work up to 12 hours a day without being eligible for overtime. If an employee exceeds 160 hours in a 28-day pay period, those hours in excess of 160 shall be paid as overtime.

16.4 Step Increases

Step increases must be based upon performance and goal achievements not solely longevity. These increases will be based upon each individual's overall performance as reflected in the most recent performance evaluation. Employees are eligible for a step increase on their anniversary or new classification date following completion of 2,184 hours of paid service, whichever is longer. Time spent on legally protected leaves of absence such as FMLA or CFRA count towards step increase eligibility.

16.5 Educational Incentive Pay

(a) Members are eligible for additional compensation as provided in this section.

(b) Upon compliance with this Section, eligible members shall receive an amount equal to 2.5% of their base pay upon satisfactory completion of 30 semester units of college level, job-related or general education courses that count towards a degree from an accredited college or university as approved by the Police Chief or certified by the Commission on Peace Officer Training standards.

An amount equal to an additional 2.5% of their base pay shall be paid to eligible safety members as a result of satisfactory completion of a total of 60 semester units of college level courses that count towards a degree from an accredited college or university

approved as above. Compliance with this section for eligibility to receive the additional 2.5% educational incentive pay shall be satisfied by presentation of an AA, AS, BA, MA, MS or LLB degree major from an accredited college or university as defined below, or by the attainment of an advanced certificate from the Commission on Peace Office Training Standards.

(c) Definitions

- i. "Base pay" for the purpose of this section 16.5 means the hourly salary as set forth herein for the range and step of the eligible person and shall specifically exclude any compensation received for overtime, clothing allowance or other fringe benefits.
- ii. "Satisfactory completion" means a grade of "C" or better in each course.
- iii. "College level" means any post-high school college or university accredited by the California State Department of Education, the Western Association of Schools and Colleges, or equivalent organizations in other states or counties, or which has the prior approval of the City Manager.
- iv. "Job-related" means any academic course related to technical police science skills. The determination of the Chief of Police of the eligibility of any course shall be final. In the case of doubt the employee shall request the written determination of the Chief of Police in advance of enrollment in the course.

(d) No person shall be eligible for the benefits under this Section unless and until he/she has satisfactorily completed the FTO period. Units completed prior to employment with the City of Pacific Grove, or during the probationary period, shall be considered in determining eligibility, provided the other requirements of this Section are met.

(e) Prior to the payment of compensation under this Section, eligible employees shall submit a list of courses and credits to the department head on forms provided by the Chief of Police, together with the transcripts or other proof of satisfactory completion as may be required.

(f) Payment for Educational Pay shall be determined as the first pay period following the final qualifying event as outlined in (a) or (b). Final Qualifying Event for P.O.S.T. shall be the date of the P.O.S.T. certificate and for college or university education the date the degree is issued. Except under unusual circumstances beyond the control of the member, retroactive payment of Educational Pay shall not exceed six months.

(g) Any person promoted, reclassified, or transferred to a position not eligible for benefits, as set forth in subsection (a) of this Section shall lose the compensation.

All such courses may be taken by the employee during off-duty hours, or during on-duty hours with prior approval by the Chief of Police. The educational expense reimbursement program provided for above is, and has been, for the benefit of the City and the Police Department.

16.6 Proficiency Pay Plan

In addition to educational pay, there is hereby established a proficiency pay plan for full time safety personnel. Those officers who meet the following qualifications shall be entitled to an additional amount of pay equal to 5% of their base pay for the attainment of the qualifications as defined in the following paragraphs:

(a) Police Officers and Police Corporals who have served the Pacific Grove Police Department for five years, have a BA, BS, MA, MS, or LLB from an accredited college or university as defined in Section 16.5, and have the Advanced P.O.S.T. Certificate, or who alternately, have served in the Pacific Grove Police Department for seven years, have an AA or AS degree from an accredited college or university as defined in said Section 16.5, and have an Advanced P.O.S.T. Certificate.

(b) Police Sergeants and Police Detective Sergeants who have served the Pacific Grove Police Department for five years, have a BA, BS, MA, MS, or LLB degree from an accredited college or university as defined in said Section 16.5, and are eligible to receive the Supervisory P.O.S.T. Certificate, or who, alternatively, have served in the Pacific Grove Police Department for seven years, have an AA or AS degree from an accredited college or university as defined in said Section 16.5, and are eligible to receive the Supervisory P.O.S.T. Certificate. A person, who upon promotion to the grade of Police Sergeant or Police Detective Sergeant, has been qualified for proficiency pay under paragraph (a) will temporarily continue to receive proficiency pay for a two-year period. Continuation of proficiency pay beyond the two-year period will be contingent upon that person acquiring the qualifications for proficiency pay as required under the provisions of the first sentence of this subparagraph.

(c) Payment for Proficiency Pay shall be determined as the first pay period following the final qualifying event as outlined in (a) or (b). Final Qualifying Event for P.O.S.T. shall be the date of the P.O.S.T. certificate and for post-high school education the date degree is issued. Except under unusual circumstances beyond the control of the member, retroactive payment of Proficiency Pay shall not exceed six months.

16.7 Shift Differential

Members regularly assigned to a shift that works between the hours of 1900 hours (7:00 p.m.) and 0700 hours (7:00 a.m.) shall receive shift differential premium pay equal to 2.5% of the employee's base rate of pay.

16.9 Corporal/FTO Compensation

Corporals' pay range shall be 5% above the Police Officers' pay range while they serve in that assignment. FTO's shall receive 5% in salary when they are assigned FTO duties by the FTO coordinator on a day to day basis.

16.10 Designated Traffic Enforcement Unit Pay

(a) Police Officers, while assigned to a designated traffic enforcement unit shall receive an additional 5% of their base salary. There shall be no additional benefits for Police Officers so assigned arising from such assignment.

(b) It is understood and agreed that assignment to a designated traffic enforcement unit is not deemed to be promotional and is at the discretion of the Police Chief. It is further understood that pay for being assigned to a designated traffic enforcement unit is provided as a special assignment pay and is not provided for riding a motorcycle while assigned to regular patrol. Designated traffic enforcement assignments will be rotated from time to time. Such rotation is not subject to the grievance procedure.

Upon rotation to and from assignment to a designated traffic enforcement unit, compensation and hours will be adjusted as provided in this agreement. When there is less than full time assignment of such duty, compensation will be adjusted on a pro-rata basis.

16.11 School Resource Officer Duty Pay

(a) Police Officers, while assigned, as the School Resource Officer shall receive an additional 5% of their base salary. There shall be no additional benefits for Police Officers so assigned arising from such assignment.

(b) It is understood and agreed that assignment of School Resource Officer is not deemed to be promotional and is at the discretion of the Police Chief. Such assignment will be rotated from time to time. Such rotation is not subject to the grievance procedure.

Upon rotation to and from assignment as School Resource Officer, compensation and hours will be adjusted as provided in this agreement. Where there is less than full time assignment of such duty, compensation will be adjusted on a pro-rata basis.

16.12 Tuition Reimbursement Plan

The purpose of the Tuition Reimbursement Plan is to help defray the cost of the Association Members college education. All such courses shall be taken by the employee during off-duty hours. The Plan is available to those who are enrolled in a college or university that has been approved by the Chief of Police or City Manager and who are seeking a degree not yet obtained.

The City will reimburse any member of the Association an amount not to exceed a total of \$1,000 for a single fiscal year for the successful completion of any job related courses of college level education. Any such course must have the approval of the Police Chief or the City Manager. After the completion of probation, a member may request reimbursement of up to a maximum of \$3,000, which includes \$1,000 for the current year, and the balance above \$1,000 as an advance against future service under the preceding conditions. This constitutes an advance in part, and the part that is advanced must be repaid should the member leave City service prior to serving the requisite time of one year for each \$1,000 so advanced, or pro-rata for fractions thereof. Reimbursement will be made for books and tuition upon presentation of proof of successful completion of approved courses.

The Tuition Reimbursement Plan may also be used to attend approved schools or conferences taken by the employee during off-duty hours. The City will reimburse any member of the Association an amount not to exceed a total of \$1,500 for a single fiscal year for the successful completion of a P.O.S.T. certified course or non-P.O.S.T. course that has been approved by the Chief of Police or City Manager. Successful completion of a P.O.S.T. certified course shall include receiving the appropriate reimbursement from P.O.S.T. Travel outside the Monterey, San Benito or Santa Cruz Counties shall receive a travel and per diem allowance when such allowance has been approved in advance by the Police Chief or City Manager. Payment of the travel and per diem allowance shall count toward the maximum tuition reimbursement of \$1,500 per fiscal year.

16.13 Physical Fitness Evaluation and Incentive Program

The parties agree to update the language of this section consistent with current program and benefit levels no later than October 31, 2016.

16.14 Longevity

A bargaining unit member who has served in Step E for three or more years shall be placed in Step F. Any member who has served four or more years in Step F shall be placed in Step G. These additional salary step increases shall continue so long as a member remains in the same job classification or is placed in a new class as part of a reclassification of his or her position without an increase in compensation.

ARTICLE 17. OTHER

17.1 Personnel Rules and Regulations

The Association agrees that it has received a copy of the rules and regulations and has met its obligation under law regarding this document.

17.2 Assigned Training

When sent out of the tri-county area for training, employees will be assigned per their regular workday. Hours will be accrued in this manner up to the equivalent of the employee's assigned work week. An employee will be entitled to overtime compensation for hours of training accrued beyond their normally assigned work week only with prior authorization from the Chief or designee.

17.3 125 Plan The City proposes to move this section to benefits
The unit shall be included in the City sponsored 125 plan.

17.5 Travel Per Diem will be provided in accordance with the City travel policies. Travel reimbursement for POST training shall conform to POST rules.

17.6 Contracting Out

The City has the right to contract out bargaining unit services to meet the best interest of the City. In the event that the City exercises its right to contract out bargaining unit work, the City shall provide at least 60 day notice and an opportunity to meet and confer on the impacts and effects of this decision. The City agrees that no incumbent employee shall be laid off as a result of contracting out under this Section.

ARTICLE 18. FUTURE NEGOTIATIONS

The parties hereto acknowledge and agree that they have reached settlement regarding all total compensation and non-compensation items, and that said issues are settled through the period expiring June 30, 2018, provided that either party may request to meet and confer upon written notice given to the other party.

The parties therefore agree to waive any and all rights or obligations to meet and confer until a reasonable period prior to June 30, 2018.

CITY OF PACIFIC GROVE

PACIFIC GROVE POLICE OFFICERS'
ASSOCIATION.

By:

By:

Bill Kampe, Mayor

Benjamin Harvey, City Manager

Date:

Date:

Exhibit A

Item	Quantity	Description
1	1	Vest
2	1	pistol with case
3	1	weapon manual
4	2	Spare ammo clips
5	1	Double magazine pouch - Black basketweave uniform
6	1	Duty belt – Sam Browne black basketweave uniform with buckle
7	1	Hi-Ride holster Mdl #2 – Black basketweave uniform
8	1	Inner trouser belt – Black basketweave uniform with buckle
9	1	Baton holder – Black basketweave uniform
10	1	Handcuff case – Black basketweave uniform
11	1	Glove case – Black basketweave uniform
12	1	Chemical spray case – Black basketweave uniform
13	4	Belt keepers – Black basketweave uniform
14	1	Baton – 36”
15	1	Chemical spray weapon
16	1	Handcuffs with 2 keys
17	1	Rain coat with police star
18	1	Rain pants
19	1	Rain cap cover
20	1	Police Badge – Uniform
21	1	Police Badge – Cap