MEMORANDUM OF UNDERSTANDING

BETWEEN

CITY OF FOSTER CITY/

ESTERO MUNICIPAL IMPROVEMENT DISTRICT

AND

SAN MATEO COUNTY FIREFIGHTERS, LOCAL 2400

INTERNATIONAL ASSOCIATION OF FIREFIGHTERS

Effective July 1, 2016

And

Expires June 30, 2019

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CITY OF FOSTER CITY/ESTERO MUNICIPAL IMPROVEMENT DISTRICT AND
SAN MATEO COUNTY FIREFIGHTERS, LOCAL 2400
INTERNATIONAL ASSOCIATION OF FIREFIGHTERS

Introduction

This Memorandum of Understanding is entered into by the City of Foster City/Estero Municipal Improvement District (hereinafter referred to as the City/District) and the San Mateo County Firefighters, Local 2400, International Association of Firefighters (hereinafter referred to as the Organization) pursuant to and subject to Section 3500 et seq. of the Government Code of the State of California. The City/District acknowledges that the San Mateo County Firefighters, Local 2400 International Association of Firefighters is the recognized employee organization which, within the scope of representation, represents the bargaining unit consisting of all regular and probationary full-time employees in the classifications listed in Article I, Section 1 (Wages and Other Compensation) below. Hereinafter "Employees" shall mean employees serving in classifications assigned to the San Mateo County Firefighters, Local 2400, International Association of Firefighters bargaining unit as defined above.

The staff representatives of the City/District (hereinafter referred to as Management) and the representatives of the Organization have met and conferred in good faith, exchanged proposals, and have agreed to the adjustments to wages, hours, and other terms and conditions of employment for the above described bargaining unit. The Organization agrees to recommend favorably to its members the adjustments set forth herein, and Management agrees to recommend to the Council/Board that the adjustments set forth herein be adopted in full by the Council/Board in the manner and procedure prescribed by law. By their signatures, the representatives of both parties attest to agreement on the adjustments set forth herein.

Article I – Wages and Other Compensation

Section 1 – Wages and Retirement

1.1 Effective June 30, 2016, wages for classes represented by the Organization shall be as represented in the table below. The following monthly pay ranges and steps shall be established:

CLASS	Step 1	Step 2	Step 3	Step 4	Step 5
Fire Captain	$ 8,139	$ 8,546	$ 8,973	$ 9,422	$ 9,893
Firefighter	$ 6,784	$ 7,123	$ 7,479	$ 7,853	$ 8,246

1.2 Effective July 1, 2016 wages for classes represented by the Organization shall be increased by 1.0%

1.3 Effective July 1, 2017 wages for classes represented by the Organization shall be increased by 3.5%.

1.4 Effective July 1, 2018, wages for classes represented by the Organization shall be increased by 4.0%.

Wages for classes represented by the Organization shall be as set forth in Appendix A.

1.5 Employees P.E.R.S. contributions shall be administered in accordance with Internal Revenue Code Section 414(h)(2).

1.6 The City/District shall contract with the Public Employees' Retirement System (P.E.R.S.) to provide the Fourth Level of 1959 Survivor Benefits (Section 21382.5).

1.7 The City/District contracted with the Public Employees Retirement System (P.E.R.S.) to provide the enhanced Public Safety benefit formula Section 21362.2 (3% @ 50) effective June 30, 2001. All employees hired on or before December 31, 2011 will continue to be afforded the 3%@50 retirement benefit formula. Effective January 1, 2012, the City/District will no longer offer the 3%@50 benefit formula. All employees hired on or after January 1, 2012 will be afforded a 2%@50 retirement benefit formula. Effective January 1, 2013, the Public Employees Pension Reform Act (PEPRA) requires new safety employees to enroll in the 2.7% at 57 retirement tier with pension calculated based on the average highest annual compensation over a consecutive 36-month period. This new retirement tier applies only to a new member. A new member is (a) someone who has never been in P.E.R.S. or a reciprocal retirement system or (b) someone previously in P.E.R.S. or a reciprocal retirement system, but who has a gap of at least 6 months since being covered by any of those pension systems. New members must pay at least 50% of the normal cost of their pension as determined by P.E.R.S. Normal cost is the present value of the increase in the retirement benefit attributable to the current year.

As per P.E.R.S. legislation, lateral employees are subject to the plan in effect on January 1, 2012, which is 2% @ 50 provided they have not been out of the P.E.R.S. system for more than six months.

P.E.R.S. refers to employees hired before January 1, 2013 as classic members.

1.8 For employees hired before January 1, 2013, the City/District shall continue to contract with P.E.R.S. to provide the Military Service Credit. For employees hired on or after January 1, 2013, the Military Service Credit is no longer available.

Section 2 – Holiday Pay

2.1 Employees shall receive holiday in-lieu pay in the amount of 5% of their regular rate of pay in-lieu of twelve (12) City/District recognized holidays. Fire personnel wishing to take a holiday off will need to use available leaves.

2.2 Employees shall be paid for any additional holiday (e.g. day of mourning or special holiday declared by the Federal or State government, etc.) if it is adopted by the City Council/Board of Directors and granted to other City/District employees. Said holiday pay shall be paid on a one-time, non-recurring basis and shall be paid with the next pay period.

Section 3 – Overtime Pay

3.1 Employees who work overtime shall receive overtime pay which is defined as one and one-half times the employee's regular rate of pay (e.g., base pay plus educational incentive pay and special qualification pay pursuant to Article I, Sections 7, 8, 9, 10.1 and 10.2) which shall be paid in half-hour increments. The hourly equivalent of the regular rate of pay shall be computed by dividing annual pay by total scheduled hours (2912) of work.

Section 4 – Emergency Call Back Pay

4.1 Employees called back in an emergency situation shall receive a minimum of four (4) hours of overtime pay based on time of notification until release from the Fire Station in accordance with Article I, Section 3.1, Overtime Pay; provided, however, that overtime worked as an extension of the normal tour of duty shall not be subject to the four (4) hour minimum. An emergency shall be defined as a condition involving the public safety, which requires additional fire service personnel to report for duty to supplement the regularly scheduled number of fire service personnel on a shift.

Section 5 – Court Time Pay

5.1 Employees subpoenaed to court as an employee of the City/District during off-duty hours shall receive a minimum of four (4) hours of overtime pay as defined in Section 3 – Overtime Pay, Subsection 3.1, A copy of the subpoena shall be attached to the Overtime Request form. This clause is intended to provide the benefits pursuant to California Government Code §68096.1. An employee is only eligible for this pay when (s)he is testifying on the City/District's behalf or otherwise ordered to by the City/District. In no event is the employee entitled to benefits or pay when the City/District is a party opponent, except where the employee is testifying about an investigation that the employee performed at the direction of the City's Risk Manager or Fire Chief in conjunction with the City's Risk Management Program. Any other exception provided by the statutory provisions also applies.

5.2 Employees required to be on telephonic standby, for purposes of appearing in court during off duty hours, pursuant to a subpoena or at the direction of the District Attorney or the City Attorney shall be paid standby pay at one-half (1/2) of

their overtime pay, as defined in Section 3 – Overtime Pay, Subsection 3.1, to a maximum of four (4) hours pay per day.

Section 6 – Special Assignment Pay

Acting Pay - An employee assigned by the Fire Chief or his/her designated representative to perform the duties of the next higher classification on an acting basis shall receive acting pay which shall be computed at five percent (5%) more than such employee's current pay step for all hours worked in such higher classification (not to exceed the maximum wage rate of the higher classification.) Acting pay will be utilized as needed for routine staffing in cases where vacation and sick leave relief are necessary.

Short Term Placement

When it is necessary to assign an employee to perform the duties of the next higher classification on a short term acting basis, the Battalion Chief, at his/her discretion, shall select an employee to be assigned from those employees who have completed the designated Acting Captain Program and have been recognized by the City/District as qualified to perform the duties of the higher classification. Short term shall be defined to mean a vacancy where the existing employee is projected to be absent from work for a duration of time greater than 30 calendar days but no longer than 60 calendar days due to illness or injury. The employee selected to perform the acting duties shall be compensated at the pay step of the higher classification that provides a minimum of a five percent (5%) increase over his/her current pay step.

Long Term Placement/Interim Appointment

A long-term vacancy shall be defined to mean a vacancy for a duration of time greater than sixty (60) calendar days. When it is necessary to assign an employee to perform the duties of the next higher classification on a long term acting basis, the Fire Chief or his/her designated representative, at his/her discretion, shall select an employee to be assigned from those employees who have completed the designated Acting Captain Program and have been recognized by the City/District as qualified to perform the duties of the higher classification. Qualified personnel currently assigned to the shift where the vacancy exists shall be given first priority to fill the vacancy.

In the event that a promotional eligibility list exists for the classification where the long term vacancy exists, only those individual(s) who are on such eligibility list will be given the opportunity to fill the long term vacancy. The employee selected for appointment shall be compensated at the entry level pay for the higher classification of which he/she is being appointed to fill or 5% greater than the employee's current rate of pay, whichever is greater.

The Department may elect not to assign an employee to an acting assignment if the employee has a documented performance issue. In such case, the employee will be notified in advance of such decision.

Section 7 – Base Pay

7.1 Base pay shall be the monthly pay range and steps established in Article I, Sections 1.2, 1.3 and 1.4 and shall exclude any additional incentive or other special or premium pay.

7.2 Furthermore, base pay already includes the following components:

a) Special Qualification pay in the amount of $127 per month for Firefighters for the duties of apparatus operator and fire prevention inspector as indicated in the Firefighter job specification. Emergency Medical Technician duties also shall be included in the Firefighter and Fire Captain job specifications. It is agreed that other duties in the job specifications for Firefighter and Fire Captain, unless specifically addressed in this agreement, are not subject to additional compensation.

b) Fire Captain base pay includes $45 per month in lieu of providing a City-paid LTD insurance program for Fire Captains.

Section 8 – Educational Incentive Pay

8.1 Employees shall be eligible upon completion of initial probation for monthly educational incentive pay in addition to base pay for successfully meeting qualifications as listed below. The effective date for educational incentive pay shall be the date the documentation submitted by the employee is verified and approved by the Department.

a) $95 Completion of 30 semester units or 45-quarter units in Fire Science at an accredited educational institution or community college.

$105 Completion of the above number of semester or quarter units and successful completion of a course in Fire Instruction 1A.

b) $160 Completion of 45 semester units or 67-quarter units in Fire Science at an accredited educational institution or community college.

$180 Completion of the above number of semester or quarter units and successful completion of a course in Fire Instruction 1A and 1B.

c) $225 Associate degree, or an equivalent of 60 semester units or 90-quarter units with 45 Fire Science semester units or 67-quarter units in Fire Science from an accredited educational institution or community college.

$255 Completion of the above number of semester or quarter units and successful completion of a course in Fire Instruction 1A and 1B.

d) $280 Bachelor of Arts or Science degree in Business or Public Administration or a related field, or an equivalent 120 semester units or 180 quarter units with 45 Fire Science semester units or 67 quarter units in Fire Science from an accredited educational

institution or community college and successful completion of a course in Fire Instruction 1A and 1B.

8.2 Equivalent shall mean completion of a course of study, through an accredited institution, essentially equivalent in academic excellence to that prescribed. Where classroom hours are used as a unit of measurement for expressing academic weight, 18 classroom hours shall be considered equivalent to one (1) "semester unit" and 12 classroom hours shall be considered equivalent to one (1) "quarter unit".

Accredited educational institution shall mean accredited institutions of higher education certified by the American Council on Education or the Western Association of Secondary and Higher Schools or schools certified by other equivalent regional accrediting associations.

Section 9 – EMT-D certification pay

Effective July 1, 2016 EMT-D certification will be five percent (5%) of base pay per month.

Section 10 – Primary Paramedic, Secondary Paramedic and Non-Paramedic Pay Differentials

Secondary Paramedic Program

Fire Captain rank employees will be allowed to continue to serve the City/District as a paramedic under the following guidelines:

- The maximum number of Fire Captain Paramedics shall be six (6). The labor representatives may request the City/District to increase the number of Fire Captain Paramedics by providing written notice to the City/District and with the approval of the Fire Chief.
- Any Firefighter, who was currently serving the City/District as a Firefighter/Paramedic at the time of promotion shall be allowed to maintain his/her paramedic accreditation and shall receive Secondary Paramedic Differential Pay in lieu of receiving Firefighter Paramedic or Primary Differential Pay.
- During the transition phase to the Primary and Secondary Paramedic program, Secondary Paramedics (Captains) may be required to work as stand alone paramedics until appropriate paramedic staffing levels are obtained.
- Shall be allowed to act as a mentor/Field Training Officer (FTO) for newly accredited paramedics.
- Will assist Firefighter/Paramedics with the treatment of patients on all incidents as needed
- Will assume the role of a treating paramedic as necessary on incidents where multiple patients are present.

When backfilling Primary Paramedics (Firefighters), like for like staffing shall be utilized. If no Firefighter Paramedics are on the voluntary picklist, Captain Paramedics shall be scheduled to fill the vacancy from the voluntary picklist. If no Captain Paramedics are on

the voluntary picklist, a non-paramedic (EMT) shall be scheduled. If the vacancy needs to be filled by the mandatory picklist, paramedic status will not be considered unless daily minimum paramedic levels are required (2 to 3 paramedics).

Primary Paramedic Special Qualification Pay (Firefighter)

10.1 Effective July 1, 2016, employees certified as Paramedics and serving as Primary Paramedics shall receive special qualification pay in the amount of nine percent (9%) of base pay per month in addition to the five percent (5%) of base pay per month of EMT-D certification pay.

Secondary Paramedic Pay (Captain)

10.2 Effective July 1, 2016, employees certified as Paramedics and serving as Secondary Paramedics shall receive special qualification pay in the amount of six percent (6%) of base pay per month in addition to the five percent (5%) of base pay per month of EMT-D certification pay.

Secondary Paramedics working in the role of stand alone/primary paramedics will receive primary paramedic special qualification pay in the amount of nine percent (9%) of base pay per shift, in lieu of secondary paramedic pay of 6%, for the actual number of hours worked.

Non-Paramedic Support Pay

10.3 Within the revenue allocation formula of the San Mateo Pre-Hospital Emergency Medical Services Group Joint Powers Agreement (the JPA), Foster City receives reimbursement of $90.00 per month for each non-paramedic who supports the Advanced Life Support system. One paramedic per engine per shift is supported by two non-paramedics per engine per shift. Using this formula, the JPA revenue allocation of $90 per non-paramedic per month represents a $1,080 per month reimbursement to Foster City. Labor and management agree to apportion this monthly allocation amongst all non-paramedics in the Department.

Each non-paramedic employee shall receive $54.00 per month in non-paramedic support pay, based upon current staffing of twenty (20) non-paramedics and in accordance with the formula described in Section 10.3. If the total non-paramedic support reimbursement subsequently changes based on changes in the JPA contract, it will be evenly divided among each non-paramedic employee.

Section 11 – Sick Leave Payment

For the Period July 1, 2000 to December 15, 2000

11.1 Upon implementation of the 401(a)(h) Plan as described in Section 17, an employee was allowed to "set aside" or "side car" any amount of hours over the minimum balance as described in the 401(a)(h) Plan, into a reserve bank of hours for use if needed during the first two years of the Plan. The "side car" contained the most recently earned hours of sick leave. The prescribed value of sick leave hours was calculated as described in Section 11.6. As of January 1,

1999, all or part of the hours were allowed to be converted to dollars and interest earned for that period was attributed to the amount and deposited into a 457(f) deferred compensation account. For those sidecar hours left in the reserve bank that remained unused, each December 1st an employee could elect to convert an additional part of their "side car" hours to dollars to fund the employee's current contribution into the 401(a)(h) plan. Interest accrues for the value of any unused hours left in the "side car" reserve bank. These amounts may be taken as a lump sum at separation or used to fund the 457 Deferred Compensation Plan "catch up provision" during the last three years prior to retirement eligibility if the employee has not maximized 457 plan contributions previously.

Sick leave hours accrued after this designation shall be available for maintaining minimum balances in the 401(a)(h) Plan and for sick leave use.

11.2 When an employee retires or separates, 25% of the required minimum balance shall be paid as described in Section 11.6 if the employee has the entire minimum balance "on the books" at the time of separation or retirement.

11.3 Other than stipulated above in Section 11.1, all 401(a)(h) Plan participants who have completed six (6) months of service and who terminate their employment in good standing will receive 25% of the sick leave accrual for the year immediately preceding retirement or separation, not to exceed a payout of more than thirty-six (36) hours.

For the Period December 16, 2000 to June 30, 2003

11.4 Effective December 16, 2000, the 401(a)(h) plan was discontinued as described in Section 17. Accordingly, all 401(a)(h) plan participants with "side car" reserve balances are no longer able to convert those hours to fund the 401(a)(h) plan. Any unused "side car" reserve balances will be available for use as sick leave prior to separation or retirement. Any unused "side car" reserve balances upon separation or retirement will be cashed out as described in Section 11.6.

11.5 Effective December 16, 2000, any employee who has completed six (6) months of service and who separates or retires from the City in good standing will receive compensation for unused sick leave equal to 25% of the unused balance, not to exceed a payout of more than thirty-six (36) hours, as described in Section 11.6.

Calculation of Unused Sick Leave Balance Values

11.6 The prescribed value of unused sick leave balance values shall be calculated as follows:

a) 25% of the total dollar value of sick leave at the rate of pay at the time of separation will be the sick leave payment.

Section 12 – Uniform Allowance

12.1 Initial Uniform Allowance - New employees shall upon completion of the second pay period after the initial date of employment or upon completion of the second pay period occurring after being required to wear a uniform, receive one

thousand dollars ($1,000.00) toward the initial uniform and footwear expense. The City/District will provide safety shoes as needed (approximately $300 per year). Employees eligible for the initial uniform allowance who terminate before completing one (1) year of service shall reimburse the City/District a prorated amount of eighty three dollars and thirty four cents ($83.34) for each month of service not completed by deduction from the final paycheck of the employee.

12.2 Continuing Uniform Allowance - Each year in the month of July the City/District shall pay to each employee who is required to wear a uniform the sum of one thousand dollars ($1,000.00). Employees who terminate City/District employment for any reason shall be entitled only to compensation at the rate of eighty three dollars and thirty four cents ($83.34) for each month of service in the fiscal year and shall reimburse the City/District a prorated amount of eighty three dollars and thirty four cents ($83.34) for each month of service not completed by deduction from the final paycheck of the employee. Employees eligible for the continuing uniform allowance will be paid forty one dollars and sixty seven cents ($41.67) each payroll period.

12.3 For employees hired before January 1, 2013, the uniform allowance will continue to be considered pensionable compensation. For employees hired on or after January 1, 2013, the uniform allowance is not considered pensionable compensation under PEPRA.

Section 13 – Flexible Benefits Plan

13.1 The City/District shall offer a Flexible Benefits Plan and make monthly contributions for employee benefit allowances for allocation to health, dental, and/or optional vision plan premiums as follows:

Employee & Family Members enrolled in Medical Plan Choice	**Effective Date** 1/1/2017	**Effective Date** 1/1/2018
No Plan	$380	$380
Employee Only	$620	$651
Employee + One	$1341	$1394
Employee + Two or More	$1778	$1867

Effective January 1, 2017, the City/District contribution increases by $164 for employee + 1 and $13 for employee + 2 or more for calendar year (January 1, 2017 – December 31, 2017).

Effective January 1, 2018, the City/District contribution amount increases by $31 for employee; $53 for employee + 1 and $89 for employee + 2 or more for calendar year (January 1, 2018 – December 31, 2018).

Effective January 1, 2019, the City/District contribution increases by $108 for employee, employee + 1 and employee + 2 or more for calendar year (January 1, 2019 – December 31, 2019) or the parties may meet and confer to reallocate the increase between represented employees.

In addition, effective January 1, 2015, the City/District will contribute $50 per month solely toward a dental premium for employees who choose a dental plan.

Effective January 1, 2017, the City/District will increase the contribution towards a dental premium to a total of $100 per month solely towards dental premium, effective January 1, 2018 will increase the contribution to a total of $150 per month, and effective January 1, 2019 will increase the contribution to a total of $200 per month.

13.2 Employees who have leftover benefit allowance available after deducting all selected plan premium amounts may annually choose to either:

A. Allocate remaining funds into one or more reimbursement accounts; or

B. Receive the available leftover benefit allowance to be contributed into a 457 Deferred Compensation Plan or into the VEBA (pursuant to the contribution agreed to in Section 18) in accordance with the provisions of federal and state tax laws.

13.3 Plan participants assume third party administration costs of the reimbursement account program. A plan participant is defined as any member for whom the third party plan administrator charges a fee for administration of the reimbursement accounts and the pre-tax premium payment features.

13.4 The City/District shall contribute the applicable PEMHCA minimum (2016 - $125) per month for the medical insurance premiums for active and retired employees. Such contributions shall be in accordance with applicable CalPERS rates.

13.5 At such time as regulations are issued implementing the Affordable Care Act (ACA), the City of Foster City and IAFF Local 2400 Foster City Fire Fighters will meet and confer to review the impact of such regulations on the benefits plans then in force. If modifications to the benefits, eligibility for coverage, employer or employee contribution to the cost of insurance or any other provisions of the benefit plans covered by this MOU will be modified by the ACA during the term of this agreement, it is agreed that the City of Foster City and IAFF Local 2400 Foster City Fire Fighters will reopen the contract to meet and confer and determine how such mandated changes will be implemented.

Section 14 – Long-Term Disability Insurance

14.1 Employees shall obtain their own Long Term Disability (LTD) insurance coverage and remit premiums directly to the provider.

Section 15 – Life Insurance

15.1 The City/District shall provide fifty thousand dollar ($50,000) term life insurance coverage plus the same amount of Accidental Death and Dismemberment (AD&D) coverage for each employee.

15.2 Additional life insurance shall be made available to employees through an after-tax payroll deduction.

Section 16 – Deferred Compensation Plan

16.1 The City/District shall offer a voluntary deferred compensation plan available to all employees (457 Plan).

Section 17 – 401(a)(h) Plan

17.1 Effective 1/1/97 the City/District offered a voluntary 401(a)(h) Plan to all current employees. Employees had a one-time opportunity to elect participation by December 1, 1996. Employees choosing not to participate were ineligible to later join the plan or benefit from the contribution in lieu of Single Highest Year. Participation in the plan was mandatory for all employees hired after 1/1/97.

Discontinuation of 401(a)(h) Plan

17.2 Effective December 16, 2000, and in recognition of the City/District contracting with CalPERS for the enhanced public safety retirement formula (3% at 50), contributions to the 401(a)(h) plan as provided in this section discontinued. The following changes took place effective December 16, 2000:

a) All assets contributed to participants' 401(a)(h) plan accounts are the property of the plan participants. Distribution options will be made available as provided by Internal Revenue Code statutes.

b) Any unused "side car" reserved sick leave balances upon separation or retirement from the City/District shall be paid out as specified in Section 11.5.

c) Any unused current sick leave balances upon separation or retirement from the City/District shall be paid out as specified in Section 11.6.

d) Vacation leave accrual rates were increased by 72 hours per year as specified in Article II, Section 1.

Section 18 – VEBA Program

18.1 The purpose of the VEBA is to provide employees with the ability to plan for future as well as current health care expenses. Expenses such as Long Term Care, unreimbursed medical premiums, copays and pharmacy charges are all eligible expenses under a VEBA Trust arrangement. Employees will realize a significant benefit since eligible contributions to a VEBA Trust are tax exempt and the reimbursed expenses from the VEBA Trust are also tax exempt.

Effective July 1, 2012, Plan requirements are as follows:

1. Eligibility Defined

Effective July 1, 2012, all eligible employees, who are members of the Organization, may participate in the Plan. An eligible employee is an employee who is a member of the Organization.

Beginning July 1, 2012, all eligible employees will have fifteen (15) days to "opt-in" or "opt-out" of the plan. Elections to "opt-in" or "opt-out" are irrevocable for the duration of the employee's tenure within the Organization.

Participation will be subject to and governed by all IRS requirements applicable to the VEBA plan. Organization members who elect to "opt-in" will make uniform monthly contributions and contributions upon separation as outlined in Section 2 below.

2. Employee Contributions

Participation in the Plan by an employee who elects to "opt-in" requires a payroll deduction each pay period to fund the employee's account. The Organization has determined that contributions to the plan shall be:

MONTHLY VEBA Contribution Schedule

FCFD years of service	Employee only	Employee +1	Employee +2
0-5	$50	$50	$50
6-10	$100	$100	$100
11-15	$150	$150	$150
16-20	$200	$200	$200
21-25	$200	$200	$200
25-separation	$200	$200	$200

Contributions made by an eligible employee must be made through payroll deductions. Eligible employees cannot make direct contributions to the plan. Once separated from the City/District, the employee can no longer make contributions to the Plan.

Employees who "opt-out" will not contribute to the plan on a per pay period basis. Those who have a VEBA account will continue to be eligible to submit for reimbursement for eligible medical expenses, however, they will not be able to make any further contributions to their accounts.

3. Leave Payout

   100% of eligible unused sick leave and sick sidecar leave shall be contributed into the VEBA account after the employee determines how much, if any, sick leave is to be converted to PERS service credit at the time of retirement

   Longevity pay: 100% of longevity pay will be contributed to VEBA.

   Vacation leave buyout: 50% of vacation leave buyout will be contributed to VEBA.

4. New Employees or Newly Eligible Employees

   Employees, whether new to the City/District or to the Organization, who become eligible to participate in the Plan after July 1, 2012 will have fifteen (15) calendar days from the date of eligibility to elect whether they would like to "opt-in" or "opt-out" of the plan. If a newly eligible employee elects to "opt-in", payroll deductions will begin in accordance with Section 2. If a newly eligible employee fails to make an election within fifteen (15) days from the date of plan eligibility, it will be deemed that the newly eligible employee has elected to "opt-out".

5. Participant Account

   A separate account is maintained for each contributing eligible employee, which documents the employee's contributions and disbursements. Contributions to a VEBA, as well as any disbursements to cover non-reimbursed post-tax medical care expenses, are both tax-free. Eligible benefits subject to reimbursement by the Plan shall be limited to long-term care expenses and non-reimbursed medical premiums, co-pays, prescribed drug expenses and other medical care costs as defined by the Internal Revenue Code Section 213.

6. An eligible employee's Plan account is subject to a monthly administrative fee for expenses related to recordkeeping, claims processing and claims reimbursement. The fee will be deducted from the eligible employee's individual account.

   All employee contributions made to a VEBA account shall comply with applicable IRS Codes.

   If the Internal Revenue Service concludes that the Plan does not qualify under the requirements of the Tax Code or no longer qualifies after initial qualification, the City/District shall meet with the Organization and discuss options to bring the Plan into compliance or to discontinue the Plan.

Section 19 – Longevity Recognition Plan

19.1 On July 1, 2006, the City/District implemented a Longevity Recognition Plan.

a) Employees hired on or before December 31, 2011 and who retire from the City/District as defined by PERS whether for a normal retirement or an industrial disability retirement, shall receive a monthly benefits payment starting at the

beginning of the first calendar month following retirement to be contributed, in whole or in part, at the discretion of the employee into the employee's VEBA account. The amount of entire benefit is dependent upon the employee's length of service as follows:

Years of Service Upon Retirement	Monthly Benefit Amount
Day 1, Year 10 through Year 14	$125
Day 1, Year 15 through Year 19	$200
Day 1, Year 20 through Year 24	$275
Day 1, Year 25 and thereafter	$350

b. Employees with 25 years and one day of service or more may still receive the longevity recognition pay, so long as the following conditions are met:

i. They separate with the City/District in good standing; and
ii. They retire with CalPERS within five (5) years of separation

For the employees separating under this subsection (b), the employee is not eligible to receive the longevity recognition pay until after the employee retires with CalPERS. To receive payment, the employee must apply to the City/District for the benefit and show proof of retirement with CalPERS. Payments will commence on the same schedule and will not include any retroactive payments, either for time since separation or for time since the employee retired with CalPERS.

19.2 The monthly benefit as described in Section 19.1 is payable to the employee up until the employee's death. Benefits shall cease in the calendar month following the employee's death.

19.3 Employees hired on or after January 1, 2012 will not be eligible for the Longevity Recognition Plan.

Section 20 – Retirement Health Savings Account (RHSA)

The City/District shall offer a retirement health savings account program in accordance with Private Letter Ruling and Treasury Regulation 301.7701.1(a)(3). Mandatory participation and contributions are set forth in the table below. The City/District will contribute up to $250 per employee per month to a retirement health savings account and employees will contribute a match effective July 1, 2017. All contributions shall be in accordance with current law.

	City/District	Employee
1-10 Years of Service	$100	$75

10-15 Years of Service	$150	$100
16 + Years of Service	$250	$150

In addition, the City/District shall provide a lump sum contribution of $60,000 to a retirement health savings plan for individuals with:

a) 20+ years of CalPERS service;
b) CalPERS service retirement during the term of this contract and during (March 1, 2017 and April 30, 2017);
c) Individuals must also elect to contribute all vacation payout to the retirement health savings account; and
d) Individuals must notify the Human Resources Department by February 1, 2017 of their intent to retire between March 1, 2017 and April 30, 2017.

The City/District shall provide a lump sum contribution of $40,000 to a retirement health savings plan for individuals with:

a) 20+ years of CalPERS service;
b) CalPERS service retirement during the term of this contract and during (November 1, 2017 and December 30, 2017);
c) Individuals must also elect to contribute all vacation payout to the retirement health savings account; and
d) Individuals must notify the Human Resources Department by October 1, 2017 of their intent to retire between November 1, 2017 and December 30, 2017.

Article II – Vacation and Other Leaves

Section 1 – Vacation Leave – Accrual and Use

1.1 Firefighters and Fire Captains shall accrue vacation in accordance with the following schedule:

Years of Service	**Hours per Year**	Hours per Pay Period / # of Shifts per Year	Max Accrual
1 through 3	140	5.83	420
Day 1, Year 4	152	6.33	456
Day 1, Year 5	188	7.83	564
Day 1, Year 6	200	8.33	600
Day 1, Year 7	212	8.83	636
Day 1, Year 8	224	9.33	672
Day 1, Year 9	236	9.83	708
Day 1, Year 10	248	10.33	744
Day 1, Year 11 to 15	260	10.83	780
Day 1, Year 16 and thereafter	296	12.33	888

1.2 Employees shall accrue vacation leave only as it is earned. New employees shall not be eligible to use any vacation leave, however, until after completion of their initial six months of employment.

1.3 Vacation Accumulation - Firefighters and Fire Captains shall not accumulate more than the equivalent of three annual vacation accruals. An employee who accumulates vacation in excess of these annual vacation accruals shall not accrue additional hours until balance is below maximum amount pursuant to this section. Vacation use may be deferred by the written approval of the City/District Manager when in the best interests of City/District government and the employee. Requests for deferring vacation use must be presented to the City/District Manager 60 days before the end of the calendar year in which the vacation leave was to be taken.

1.4 Vacation Use - The Department shall provide for a minimum of two 24-hour shift employees to be on vacation leave per shift. Additional employees may be allowed vacation leave if minimum daily staffing requirements can be met. However, the Fire Chief may determine a need for the attendance of all personnel at events such as team building, or critical incident debriefings. The Fire Chief shall schedule such events with as much advance notice as possible, and with due consideration for employees already approved for vacation leave, in that such leave shall not be canceled.

1.5 Employees must schedule and use a minimum of two consecutive shifts (48 hours) of vacation annually. If the employee schedules his/her vacation in accordance with this provision, the Department shall assure the employee gets the time off in order to avoid loss of accrual beyond the maximum balance.

1.6 In June or November of each year, employees at their option may request that the value of any unused accumulated vacation be contributed to a 457 account on their behalf, or taken as cash. Such request may be made only if the employee has used the minimum number of vacation days during the applicable calendar year and filed a request with Human Resources no later than June 30 or November 30. An employee may select only one of the options above.

1.7 Additional guidelines that clarify the use and administration of vacation use may be found in the Personnel Rules and Regulations and the Fire Department Procedures Manual.

Section 2 – Sick Leave Accrual and Use

2.1 Sick leave shall be accrued at the rate of ten and three-quarters (10.75) hours per calendar month for each month that the employee has worked regularly scheduled hours. There shall be no maximum accumulation of sick leave.

2.2 Family Sick Leave - Subject to the approval of department management, employees may utilize annual sick leave accruals in accordance with applicable legislation.

2.3 Employees may be entitled to additional leave upon request, pursuant to federal and state family leave laws.

2.4 Sick Leave Use Policy

a) Purpose - This policy is intended to guide supervisors in reviewing sick leave usage, in recognizing employees who meet or exceed the standards, or in making recommendations to develop an improvement plan if necessary.

The patterns of use, frequency of occurrence, total hours used, and hours available compared to hours accrued for each employee will be periodically and routinely reviewed using judgment consistent with City/District Personnel Rules with due consideration for any extenuating circumstances.

b) Guidelines - In addressing sick leave usage in a calendar year, supervisors may utilize the following guidelines in addressing the need for correction:

1. 72 hours: employee should be informed of their usage to date; noting this amount is more than one-half of their annual accrual.

2. 96 hours: employee should be informed that this level of usage has now exceeded three-quarters of their annual accrual. A usage review may be undertaken and appropriate recommendations may be made to assist the employee.

3. 120 hours: employee should be counseled and advised that they now have used their annual accrual of sick leave for that calendar year. Present usage and past annual usage patterns will be reviewed. Counseling and any recommendations should be documented in a memo for the employee.

4. 144 hours: employee will be advised that they now have exceeded their annual accrual of sick leave for that calendar year. Employees in this category may be placed on sick leave restriction for 90 days or until the end of the calendar year, whichever is longer.

The following procedures will be used when placing an employee on restriction:

1. Employees will be given specific and confidential notification they have been placed on restriction.

2. Employees on restricted use are to furnish a physician's certificate for each sick leave absence.

3. Employees on restricted use may receive a Management Referral to the Employee Assistance Program for additional help.

4. Employee will receive clear notice of future action should the Department not see improvement.

2.5 Family sick leave may be taken and if taken, shall be charged to sick leave or, with the concurrence of the department head, to vacation, holiday, or Earned Time Off (ETO) leave where the presence of the employee elsewhere is

essential because of illness, or disability of immediate members of his/her family. Immediate family means parent, spouse, domestic partner, or dependent child. No more than 72 hours of the employee's annual accrual may be granted for family sick leave in any one calendar year. Any additional absences due to family illness or for other family members shall be charged to discretionary leave balances (e.g., vacation, compensatory time off, etc.). However, if extenuating circumstances exist, at the discretion of the Department Head and Director of Human Resources, a reasonable extension of the six (6) day or three (3) shifts limit may be granted. Any additional leave so granted shall be charged against the employee's accumulated sick leave.

2.6 An employee who is absent on sick leave in excess of 72 consecutive hours may be required to file with the Human Resources Director, through the department management, a physician's certificate verifying the need for leave.

2.7 Abuse of Sick Leave: Inappropriate frequent use of sick leave and/or abuse of sick leave shall be just cause for disciplinary action. In order to assure compliance by employees with sick leave provisions, and to refrain from imposing undue requirements on all employees for the misconduct of a few, an administrative program is hereby established to identify probable cases of sick leave abuse and apply corrective measures. Except when sick leave use is known to be in connection with hospitalization, major injury or illness, or verified emergency leave, inappropriate frequent use or sick leave abuse, as used here, shall generally be defined as any of the following conditions:

Where an employee uses all of their earned sick leave which requires their wages to be reduced because of sick leave without pay.

Where an employee fraudulently utilizes any single occurrence of sick leave.

Where an employee regularly uses sick leave in excess of three (3) forty-eight hour tours in a calendar year.

Major injury or illness is defined as an injury or illness that incapacitates an employee for two (2) or more shifts for Fire shift employees regularly assigned to forty-eight (48) hour shifts.

Generally, when a pattern of abuse of sick leave is apparent, the department head, or employee's supervisor, shall evaluate such cases. In those cases where sick leave privilege has been abused, appropriate action including the denial of sick leave use and/or disciplinary action up to and including termination may be taken.

Leave requested and approved in advance (whenever possible) pursuant to provisions of the Federal and State Family Leave laws shall not be used for purposes of this section. This includes any legislative provisions affecting family sick leave. All such provisions shall be administered in accordance with applicable legislation.

Positive reinforcement of guidelines for sick leave usage is preferred, with supervisory assistance occurring as outlined. The City/District maintains a

supportive posture to assist employees in correcting and controlling factors that may be contributing to or causing sick leave usage.

Section 3 – Catastrophic Leave Donation

3.1 Firefighters and Fire Captains are eligible to participate in a Catastrophic Leave Donation program in accordance with the City/District policy in Appendix B of this Memorandum of Understanding.

Section 4 – Funeral / Emergency Leave

4.1 An employee shall be entitled to up to two (2) shifts of leave per occurrence in the event of death or serious illness determined to possibly lead to death in the immediate family. Requests must be in writing on the approved form and state the relationship of the family member and must be approved by the department head and City/District Manager. Immediate family shall mean spouse, children of either spouse, either parent, brother or sister, grandparents of employee or spouse, grandchildren, father-in-law, mother-in-law, and brother-in-law or sister-in-law. Other significant individuals such as aunts, uncles, cousins and other persons are excluded without specific approval of the City/District Manager. This leave shall not be accumulated and is in addition to sick leave and/or vacation benefits. In special emergencies, an employee may receive formal approval after the fact, in which case any accrued sick leave and/or vacation time deducted shall be credited up to a maximum of two (2) shifts.

4.2 Employees may be entitled to additional leave upon request, pursuant to federal and state family leave laws.

Article III – Organizational Security

Section 1 – Dues Deduction

1.1 The City/District shall deduct dues and assessments from the pay of those employees who are represented by the Organization who individually request in writing that such deduction by made in an amount certified by the Secretary/Treasurer of San Mateo County Firefighters, Local 2400, International Association of Firefighters. The amount of such deduction shall be remitted by the City/District to the Secretary/Treasurer of San Mateo County Firefighters, Local 2400, International Association of Firefighters. The City/District shall be held harmless against any complaint which may be made by any person by reason of deduction of dues.

Article IV – Miscellaneous Terms and Conditions of Employment

Section 1 – Department Procedures Manual

1.1 It is understood that provisions of this Memorandum of Understanding also apply to Section A of the Fire Department Procedures Manual. Changes in this manual that affect wages, hours and working conditions shall be addressed

within the department. Labor and management shall meet and have an open and meaningful dialog regarding issue(s) presented. All efforts will be made to resolve the issue(s) mutually in the best interest of the Department. If issue(s) cannot be resolved between the parties, those issues will be brought to a third party problem solving process as described in Section 1.2 before instituting more formal procedures in accordance with the City/District Employer Employee Relations Policy.

1.2 The third party problem solving process referred to in Section 1.1 shall represent a review panel that shall be advisory in nature. The panel will consist of three (3) representatives total that are trained in interest-based negotiating and problem solving facilitation and/or are otherwise trained in mediation and conciliation skills. One (1) representative will be a City/District employee selected by management, one (1) representative will be a City/District employee selected by labor, and the last representative will be mutually selected and agreed upon by both management and labor that will come from a service such as the Peninsula Conflict Resolution Center or similar agency. Labor and management will present the facts to the Panel and offer any other relevant information to the matter being discussed. The Panel will seek to resolve the conflict, or otherwise render an opinion on how to resolve the conflict based on the facts and information received. This opinion shall be provided to both labor and management as the recommended solution to the conflict. If a majority consensus is not reached, all opinions of the Panel will be considered and a non-consensus advisory recommendation will be submitted to labor and management.

If the matter is still left unresolved, the issue will be brought to the Peninsula Conflict Resolution Center Community Mediation process (or similar agency), for which a panel of mediators will be mutually selected to assist labor and management in finding a mutually satisfactory resolution to the issue.

Section 2 – Overtime

2.1 To be assigned overtime on rotation, an employee must have the qualifications and experience of the absent employee. Department management shall have the right to determine who shall work until an employee on rotation is present. Overtime begins at such time the employee reports ready for duty at the Fire Station. This procedure shall not apply in case of emergency or emergency call back. Additional provisions regarding overtime may be found in the Department Procedures Manual.

Section 3 – Work Schedule

3.1 The regular workweek for employees covered by this MOU will be fifty-six (56) hours. A normal work schedule will consist of two (2) twenty-four (24) hour on-duty shifts within a six (6) day cycle as follows:

xxoooooxxoooooxxoooooxxoooo
x = 24-hour on-duty period
o = 24-hour off-duty period

3.2 In the case of any unforeseeable sudden emergencies, the City/District has the obligation and the right to immediately implement the necessary work schedule changes that are required to mitigate the emergency situation.

3.3 With the approval of the City/District Manager, the Fire Chief may assign a fire shift employee to an alternate schedule for the purposes of light duty (pending medical release), probationary training and voluntary career development. The Organization shall receive notice of such assignments and the expected duration of the alternate schedule.

3.4 40 Hour Work Week Assignments

The forty (40) hour per week assignment and work schedule are determined by the City/District Manager in accordance with the law. An employee assigned to a forty (40) hour work week shall receive the following vacation leave, holiday pay and sick leave:

Vacation

A. An employee on a 40 hour work week assignment shall accrue vacation leave at .714 times the regular work week (56 hour) shift rate.
B. Upon assignment to a forty (40) hour work week, an employee's accrued vacation leave balance will be converted from his/her regular work week (56 hour) shift balance to a day shift balance using the following formula: (shift balance) x (.714) = (day shift balance).
C. The same ratio will be used to convert an employee's accrued vacation leave day shift balance back to a shift balance if the employee assigned to a 40 hour work week returns to a regular 56 hour work week assignment. The formula for this conversion of accrued vacation leave is as follows: (day shift balance) x (1.4) = (shift balance).

Official Holidays
An employee on a 40 hour work week assignment shall not be required to be on duty for the following City/District holidays unless the City/District so directs.

- New Year's Day
- Martin Luther King Jr. Birthday
- President's Day
- Memorial Day
- Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Eve
- Christmas Day
- New Year's Eve

An employee assigned to a forty (40) hour work week shall not receive holiday-in-lieu pay, as described in Article I, Section 2 above, unless the employee is on duty on a holiday as directed by the City/District Manager or his/her designee.

Sick Leave

A. An employee on a forty (40) hour work week assignment shall accrue sick leave at .714 times the regular work week (56 hour) shift rate.
B. Upon assignment to a forty (40) hour work week, an employee's accrued sick leave balance will be converted from his/her regular work week (56 hour) shift balance to a day shift balance using the following formula: (shift balance) x (.714) = (day shift balance).
C. The same ratio will be used to convert an employee's accrued sick leave day shift balance back to a shift balance if the employee assigned to a 40 hour work week returns to a regular 56 hour work week assignment. The formula for this conversion of accrued sick leave hours is as follows: (day shift balance) x (1.4) = (shift balance).

Section 4 – Grievance Procedure

Definition

A grievance is any dispute, which involves the interpretation or application of any provision of the Memorandum of Understanding, excluding, however, those provisions of the Memorandum of Understanding, which specifically provide that the decision of any City/District official shall be final, the interpretation or application of those provisions not being subject to the grievance procedure.

Step 3 shall be utilized to provide an administrative appeal of a written reprimand. Such appeals shall not be processed beyond Step 3.

Procedure

A grievance shall be filed according to the following steps:

Step 1. Immediate Supervisor. A grievance may be filed by an employee in his/her own behalf, or jointly by a group of employees or by the Organization.

Within seven (7) calendar days of the event giving rise to a grievance, the grievant shall present the grievance in writing to the Battalion Chief. Grievances not presented within the time period shall be considered resolved.

The Battalion Chief shall meet with the grievant to settle the grievance and give a written response to the grievant within seven (7) calendar days from the receipt of the grievance.

Step 2. Fire Chief. If the grievance is not resolved in Step 1 to the grievant's satisfaction, the grievant may, within fourteen (14) calendar days from receipt of the Battalion Chief's response, advance the grievance in writing to the Fire Chief for consideration. A written response to the grievance shall be made in writing by the Fire Chief, after conferring with the grievant, within ten (10) calendar days from receipt of the grievance.

Step 3. City/District Manager. If the grievance is not resolved in Step 2 to the grievant's satisfaction, the grievant may, within five (5) calendar days from receipt of the Fire Chief's response, advance the grievance to the City/District Manager for consideration. A written response to the grievance shall be made in writing by the City/District Manager

or his/her designee, after conferring with the grievant, within ten (10) calendar days from receipt of the grievance.

Step 4. Mediation. If the parties are unable to reach a mutually satisfactory accord on any grievance, which arises and is presented during the term of this Memorandum of Understanding, the parties may mutually agree to participate in mediation in an effort to resolve the grievance at this Step. The parties may agree upon a mediator or utilize the services of a mediator assigned through State Mediation and Conciliation Services.

Step 5. Arbitration. In the event Mediation is unsuccessful in securing a settlement, either the Organization or the City/District may require that the grievance be referred to an impartial arbitrator. The parties may select by mutual agreement or by requesting a list of seven (7) arbitrators from State Mediation and Conciliation Service (SMCS). If a list from SMCS is utilized, the parties shall determine by lot which party is to strike the first name from the list. The parties shall alternately strike names from the list until one name remains. The fees and expenses of the arbitrator and of a Court Reporter (if mutually agreed upon) shall be shared equally by the Organization and the City/District. Each party, however, shall bear the cost of its own presentation, including preparation and post-hearing briefs, if any.

Decisions of the arbitrators on matters properly before them shall be final and binding on the parties hereto, to the extent permitted by the laws governing General Law Cities in the State of California.

No arbitrator shall entertain, hear, decide or make recommendations on any dispute unless such dispute involves a position in a unit represented by this Organization and unless such dispute falls within the definition of a grievance.

Neither any Mediator nor any arbitrator shall have the power to amend or modify this Memorandum of Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.

Extension of Time Limits
The above specified time limits may be extended in writing by mutual agreement between the parties. Failure of the employee or the Organization to act within the specified time limits, unless extended and mutually agreed upon in writing, shall dismiss and nullify the grievance. Failure by the City/District to observe such time limits, unless extended, shall cause the grievance to be moved to the next level of the grievance procedure.

Compensation Complaints.
All complaints involving or concerning the payment of compensation shall be initially filed in writing with the Fire Chief. In such cases no adjustment shall be retroactive for more than sixty (60) days from the date upon which the complaint was filed. Only complaints which allege that employees are not being compensated in accordance with the provisions of this Memorandum of Understanding shall be considered as grievances.

Suspension and Discharge Grievances.
If the parties, in pursuance of the procedures outlined above resolve a grievance which involves suspension, demotion, reduction in step or discharge, they may agree to payment for lost time or to reinstatement with or without payment for lost time. In the

event the dispute is referred to arbitration and the arbitrator finds that the City/District had the right to take the action complained of, the arbitrator may not substitute his/her judgment for the judgment of management, and if he/she finds that the City/District had such right, he may not order reinstatement and may not assess any penalty upon the City/District.

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

Section 5 – Discipline Procedure

5.1 Provisions regarding disciplinary procedures are found in City/District Personnel Rule 14.

5.2 To the extent Rule 14 is not in compliance with the governing statutory structure comprising the Firefighter Bill of Rights, the employee may elect an alternative formal appeal procedure for a disciplinary action involving discharge, demotion, suspension, or written reprimand. The request by the employee for utilization of this alternative process must be made at the time and within the same document as the written request to appeal the final imposition of discipline, pursuant to the timelines outlined in Rule 14. The conduct of the intermediary step (through an advisory fact finding administrative hearing) before final determination by the City/District Manager shall be as follows:

The formal appeal shall be presided over by an administrative law judge ("ALJ") on staff at the State Office of Administrative Hearings. The ALJ shall preside at the appeal hearing, rule on the admission and exclusion of evidence, and make recommendations on matters of procedural and substantive law. In conducting the hearing, the ALJ shall follow the provisions set forth in section 11513 of the California Government Code.

The appeal proceedings shall be reported by a stenographic reporter. The costs of the reporter shall be borne equally by both parties. Alternatively, upon consent of all of the parties, the proceedings may be reported electronically. Within 30 days after the case is submitted to the ALJ, (s)he shall prepare a proposed written decision to be submitted to the City/District Manager. Within 100 days of receipt by the City/District Manager of the ALJ's proposed decision, the City/District Manager may take any of the following actions:

(A) Adopt the proposed decision in its entirety.

(B) Reduce or otherwise mitigate the proposed penalty and adopt the balance of the proposed decision.

(C) Make technical or other minor changes in the proposed decision and adopt it as the decision. Action by the City/District Manager under this paragraph is limited to a clarifying change or a change of a similar nature that does not affect the factual or legal basis of the proposed decision.

(D) Reject the proposed decision and refer the case to the same ALJ if reasonably available, otherwise to another ALJ, to take additional evidence. If the case is referred to the ALJ pursuant to this subparagraph, (s)he shall prepare a revised proposed decision based on the additional evidence and the transcript and/or other papers that are part of the record of the prior hearing. A copy of the revised proposed decision shall be furnished and the decision shall be served to each party and the City/District Manager. At that time, the City/District Manager will have the option of taking any of the proposed actions again in any of these subparagraphs for final determination.

(E) Reject the proposed decision, and decide the case upon the record, including the transcript, or upon an agreed statement of the parties, with or without taking additional evidence. By stipulation of the parties, the City/District Manager may decide the case upon the record without including the transcript or electronic recording.

The City/District Manager's decision will be reduced to writing and shall be final and binding on the parties. The City/District Manager's written decision shall be served on the parties in accordance with the Code of Civil Procedure section 1094.6 and the decision shall be subject to judicial review pursuant to Code of Civil Procedure section 1094.5.

5.3 Section 5.2 was negotiated to effectuate the additional due process rights afforded under the Firefighter Bill of Rights. If at some point the statutory scheme is repealed or stricken by a court of competent jurisdiction or completely repealed through the legislative process, Section 5.2 would become null and void. If at some point the rights set forth in the Firefighter Bill of Rights are narrowed or expanded through the legislative process, the rights afforded under Section 5.2 would likewise be narrowed or expanded, consistent with the statutory changes.

5.4 The Organization and the City/District stipulate that Section 5.2 satisfies Chapter 5, section 11500 et seq. of the California Government Code and satisfies the administrative appeal rights established under section 3254.5 of the California Government Code of the Firefighter Bill of Rights.

Section 6 – Layoff Procedure

6.1 Seniority for purposes of layoff shall be defined as total continuous service based on initial hire date with the City/District.

6.2 The six (6) Paramedic staffing level requirement shall be maintained as outlined in the JPA Agreement. If the staffing level is modified, it is understood that the subsequent staffing level is considered incorporated into this Memorandum of Understanding.

6.3 Other provisions regarding layoff procedures are found in City/District Personnel Rule 13.

Article V – Recruitment, Probation and Career Development

Section 1 – Examinations

1.1 An examination shall be open-competitive, promotional or open-competitive / promotional as determined by the Personnel Officer depending upon the field of qualified applicants available.

1.2 Any applicant who meets the minimum qualifications stated in the announcement may compete in the initial examination process unless disqualified under Section 5.03 of the City/District Personnel Rules.

1.3 Only current regular employees who meet the minimum qualifications specified in the announcement and have successfully completed any probation may apply for a promotional opportunity. Employees on extended probation or promotional probation may not compete in a promotional examination. A minimum of two (2) qualified employees must apply in order to conduct a promotional examination. Employees may take promotional examinations scheduled during regularly assigned working hours without loss of compensation provided that advance arrangements have been made with the employee's supervisor and department head.

1.4 Open competitive/promotional examinations are open to qualified regular employees and any other applicants who meet the minimum qualifications stated in the announcement. Two (2) employment lists will result: a promotional and an open-competitive employment list; the promotional list will be certified first and then the open list as provided in City/District Personnel Rule 7, Sections 7.04 and 7.5

1.5 Should the City/District determine a need for an open-competitive/promotional examination, it will schedule a meeting with the representatives of the Organization for the purposes of explanation and discussion of the perceived need for this type of examination process prior to making the final decision to proceed with the process.

Section 2 – Probationary Period

2.1 The probationary period for new Firefighters shall be for a period of not less than eighteen (18) months of actual service and is considered the final step in the examination process.

2.2 The probationary period for newly hired or promoted Fire Captains shall be for a period of not less than twelve (12) months of actual service and shall be considered the final step in the examination process.

2.3 Further provisions regarding probationary periods are found in the City/District Personnel Rules.

Section 3 – Career Development

3.1 The City/District and the Organization have a mutual interest and commitment to provide and support training and career development opportunities for its employees. To this end, both parties agree to establish a joint labor/management training advisory committee to identify, evaluate, facilitate and identify funding resources for training opportunities in the department. The committee shall provide notice to the department training division with a copy to Human Resources identifying needs, costs and methodologies prior to each upcoming year's budget development.

Section 4 – ALS Paramedic Program

The City of Foster City ("City") and the Foster City Firefighters Local 2400, District 1 ("Union") hereby adopt the terms and conditions of the Foster City ALS – Paramedic Program. The City and the Union acknowledge that each side had a full opportunity to meet and confer concerning the ALS program.

I. Staffing

When not responsible to provide ALS coverage on the shared services truck (Truck 23), the Foster City Fire Department will staff a minimum of two paramedics on duty each day -- one paramedic per engine company. The Fire Chief has discretion as to staffing of paramedics.

When responsible to provide ALS coverage on the shared services truck (Truck 23), the Foster City Fire Department will staff a minimum of three paramedics on duty each day -- one paramedic per engine company and one paramedic on the shared services truck company (Truck 23). The Fire Chief has discretion as to staffing of paramedics.

The Foster City Fire Department Paramedic Program minimum staffing is eleven (11) paramedics, however the Department is authorized to staff up to sixteen (16) paramedic positions through staff attrition. A verified ability to staff the eleven (11) authorized positions must exist before any paramedic may leave the program.

Firefighters assigned as paramedics, including those who promote to the rank of Fire Captain and serve as primary or secondary paramedics, may practice their paramedic skills until such time as they request to rotate out of the program as set forth below.

Only primary and secondary paramedics who are officially designated by the Department as paramedics will receive paramedic special qualification pay.

When placing new paramedics in the field, paramedics who have recently graduated from paramedic school and who have not previously practiced as a certified paramedic will ride along with experienced paramedics for a minimum of six (6) months. Exception for the six (6) month minimum may be made upon mutual agreement between the Fire Chief and labor representatives.

II. Withdrawal From the Paramedic Program

Paramedics may request to rotate out of the paramedic program if they are San Mateo County accredited paramedics with at least three (3) years of service with the Foster City Fire Department Paramedic Program.

Employees must declare their request to leave paramedic service in writing to the Fire Chief, who will sign and date the written declaration as received.

Priority to leave paramedic service will be based on time spent as a certified paramedic, actively working for the City/District. For those paramedics having the same length of paramedic service, priority to leave the program will be based on seniority in the Department.

The Fire Chief may permit employees to discontinue training or providing paramedic service due to personal hardship on a case-by-case basis.

Paramedics will only be allowed into the program at the beginning of the month and out of the program at the end of the month.

On a temporary basis, the Fire Chief may permit employees to discontinue training or providing paramedic service due to personal hardship on a case-by-case basis. Request to re-enter the program must be made in writing to the Fire Chief.

III. Involuntary Release From the Paramedic Program

The Fire Department may release an employee from active paramedic service at any time when it is in the best interest of the Department/City in accordance with City/District Personnel Rules, provisions of the MOU and/or State or Local EMS Policies and Procedures.

IV. Annual Certification Pay

1. In accordance with the MOU, paramedics will receive Annual Certification Pay based upon 14 hours of pay on an overtime basis using the average hourly rate for Fire Captain and Firefighter at Step 5 in the first year of the Memorandum of Understanding. This Pay will be paid each pay period at the established rate of pay. Annual Certification Pay will cease for paramedics that discontinue providing paramedic service for any reason, including separation from employment with the City, in the pay period subsequent to the effective date of discontinuing paramedic service.

2. Each Paramedic may request up to $200 per fiscal year for tuition reimbursement for paramedic specific continuing education classes separate from the Core classes provided by the City.

V. Paramedic Training

1. If a Foster City Fire Department employee is selected to attend paramedic school:

   A. Field Internships shall be conducted away from the Foster City Fire Department. Employees shall be considered as assigned to the location of the internship for the purpose of payroll and shall not be eligible for overtime compensation for time spent on-shift at the Field Internship except as governed by the Fair Labor Standards Act for hours over the regularly scheduled 2 hours per 24 -day FLSA period. Only the Foster City Fire Chief may authorize hours to exceed 2 per 24-day cycle.

   B. Employees may remain on the regular overtime rotation list and may work at the Foster City Fire Department on an overtime basis if said overtime does not interfere with Field Internship shifts or other paramedic training as determined by the Fire Chief or his/her designee.

   C. San Mateo County Five (5) Call Internships will be done by qualified Preceptors within the Foster City Fire Department with a compensation fee of $285 to the preceptor per candidate.

2. Work Load Modifications

   A. Paramedic students will be expected to complete routine, non-emergency functions outside normal training hours.

   B. Special consideration may be given, on a case-by-case basis, to paramedic students needing additional on-duty study time during normal, routine duties. This will be coordinated by the Fire Chief and Shift Battalion Chief.

3. Shift Changes

   A. Temporary shift changes of both employees involved in training and employees not involved in training may be necessary to mitigate negative impacts to the Department's ability to provide an acceptable level of fire protection.

   B. The Department will make every effort to minimize the frequency and number of shift changes in order to reduce program impacts. Members will be given the opportunity to move or stay on their current shift based on seniority. If no shift members volunteer to move, then members with the least seniority will be moved. This standard will be used for both paramedics and firefighters.

   C. To distribute paramedics, some of the "temporary" shift changes may become permanent. Additional shift changes may be needed to ensure proper paramedic distribution between the three shifts. Again, seniority will be used to facilitate any shift changes.

D. Vacation leave requests approved prior to any temporary shift changes as required under this section shall be honored.

4. Core Class Training

A. Core paramedic classes (ACLS, PALS/PEP, PHTLS/BTLS) will be offered on duty on a per shift basis. Every attempt will be made to offer these classes on days when no paramedics are scheduled off. In the case that a paramedic misses the class due to leave, it will be that paramedic's responsibility to assure he/she receives the training. This can be accomplished by attending a class on another shift without compensation, using the voucher system or making other arrangements to receive the training. Participants in the training will respond on alarms per normal procedure.

Should there be any changes in the County of San Mateo concerning the delivery of paramedic services that materially impact on the City's ALS program (e.g., ALS transport), the parties agree to address such impacts in the manner required under California Government Code Section 3505. It is also understood and agreed that should any provision of this document be determined to be inconsistent or incompatible with any requirements under State or Federal law, the parties agree to immediately address the affected provision in the manner required under Government Code Section 3505.

Article VI – Provisions of Law

Section 1 – City / District Rights

1.1 Except as expressly limited by this M.O.U., and as thereafter amended or modified, it is understood and agreed by the Organization that the City/District retains its powers and authority to direct, manage and control all affairs of the City/District to the full extent of and in compliance with the law.

1.2 Nothing in this section shall relieve the City/District from its obligation to meet and confer over the impact of the exercise of the rights enumerated in this section.

Section 2 – Employee Rights

2.1 Employees shall have the right to form, join, and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matters of employer-employee relations, including but not limited to wages, hours, and other terms and conditions of employment.

2.2 All rights, privileges, and working conditions enjoyed by members of the Organization which are not included in the M.O.U. shall remain in full force and effect. Changes to these rights, privileges, and working conditions proposed by either the City/District or the Organization, to the extent such changes fall within the scope of representation, shall be implemented and adopted in accordance with the provisions of Article VI, Section 1.1 of this M.O.U., Section 3500 et. seq.

of the Government Code and the City/District Employer/Employee Organization Relations Policy, Resolution 81-110.

Section 3 – Effect of Agreement

3.1 To the extent there is a conflict, it is understood and agreed that the specific provisions contained in the M.O.U. shall prevail over the City/District rules, regulations, policies and procedures. It is further understood and agreed that in the absence of specific provisions in this M.O.U. such City/District rules, regulations, policies, and practices shall remain in full force and effect.

3.2 Personnel Rules and Regulations and provisions of the Fire Department Procedures Manual in effect on the date of this agreement and not inconsistent therewith shall apply to members of the Organization and shall remain in full force and effect. Changes in wages, hours and working conditions as set forth in the Fire Department Procedures Manual shall first be handled as described in Article IV, Section 1. Modifications to rules, regulations, and General Orders proposed by either the City/District or the Organization, to the extent these modifications fall within the scope of representation, shall be adopted and implemented in accordance with the provisions of Article VI, Section 1.1 of this M.O.U., Section 3500 et. seq. of the Government Code and the City/District Employer/Employee Organization Relations Policy, Resolution 81-110.

3.3 The terms and conditions set forth in this M.O.U. represent the full and complete understanding and commitment between the City/District and the Organization. The terms and conditions may be altered, changed, added to, deleted from or modified only through the voluntary and mutual consent of the City/District and the Organization in a written amendment to the M.O.U.

3.4 It is the intent of the City/District and the Organization that ordinances, resolutions, rules and, and regulations enacted pursuant to this M.O.U. be administered and observed in good faith.

Section 4 – Reopener

If the City/District determines it will enter into discussions with the City of San Mateo and/or the Belmont Fire Protection District (City of Belmont) to create a new fire entity, the City/District will provide written notice to the Foster City Firefighters Association, San Mateo County Firefighters, Local 2400, International Association of Firefighters to discuss the impacts of that decision.

The discussion shall commence within 30 days of the written notice provided to the Foster City Firefighters Association, San Mateo County Firefighters, Local 2400, International Association of Firefighters.

The parties agree to utilize the City/District's Employer/Employee Relations Resolution process to resolve any outstanding issues that the parties may identify in their discussions.

Article VII – Term of Memorandum of Understanding

The City/District and the Organization agree by their signatures hereto that the wages, hours, terms, and conditions of employment contained herein shall be continued in full force and effect during the term of this Memorandum of Understanding except as otherwise provided herein. Contingent upon ratification by members of the Organization and contingent upon adoption by the City Council/Board of Directors of the City of Foster City/Estero Municipal Improvement District of a resolution approving this Memorandum of Understanding, the term will commence on July 1, 2016 and shall expire on June 30, 2019.

Signatures to this Memorandum of Understanding between the City/District and the Organization are for Fiscal Years 2016-2019.

Staff Representatives of the City of Foster City / Estero Municipal Improvement District

11-28-16
Ann Ritzma — Date

11/30/16
Gary Hegwer — Date

11.30.2016
Judy Ting — Date

Representatives of the San Mateo County Firefighters, Local 2400, International Association of Firefighters

12/1/16
Robert Aranda — Date

11/28/16
Tony Blackman — Date

11/28/16
Doug Estill — Date

11/30/16
Kyle Leatham — Date

11/30/16
Patrick Olson — Date

12/1/16
David Swim — Date

SIDELETTER AGREEMENT

City of Foster City and IAFF
2009 Negotiations
Tentative Agreement

The City of Foster City and IAFF agree to the following tentative agreement:

The City of Foster City understands challenges may exist when transitioning to a different shift schedule to accommodate a work-related injury. The City will make its best efforts to give adequate personal time, typically not to exceed one calendar day, so the employee can make personal arrangements to transition to his/her 40 hour per week shift schedule.

Signed,

Rebecca Burnside, HR Director
For the City of Foster City
3/24/09

Al Paciente, Lead Negotiator
For IAFF, Local 2400

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APPENDIX A

Effective July 1, 2016, monthly wages for classes represented by IAFF shall be as listed below:

CLASS	Step 1	Step 2	Step 3	Step 4	Step 5
Fire Captain	$ 8220	$ 8631	$ 9062	$ 9516	$ 9991
Firefighter	$ 6851	$ 7194	$ 7553	$ 7931	$ 8328

Effective July 1, 2017, monthly wages for classes represented by IAFF shall be as listed below:

CLASS	Step 1	Step 2	Step 3	Step 4	Step 5
Fire Captain	$ 8507	$ 8933	$ 9379	$ 9849	$ 10340
Firefighter	$ 7090	$ 7445	$ 7817	$ 8208	$ 8619

Effective July 1, 2018, monthly wages for classes represented by IAFF shall be as listed below:

CLASS	Step 1	Step 2	Step 3	Step 4	Step 5
Fire Captain	$ 8847	$ 9290	$ 9754	$ 10242	$ 10753
Firefighter	$ 7373	$ 7742	$ 8129	$ 8536	$ 8963

APPENDIX B

CATASTROPHIC LEAVE DONATION POLICY

I. PURPOSE

This policy has been developed to assist employees who have exhausted paid leave balances due to a serious/catastrophic or debilitating illness, injury or condition, affecting their own ability to work or requiring the employee's absence to provide care for an immediate family member (spouse, children of either spouse, either parent, brother or sister, employee's grandparents, grandchildren, mother or father-in-law or brother or sister-in-law). Other relatives and significant persons may be included with the approval of the City/District Manager.

II. DEFINITION

A catastrophic illness or injury is defined as an illness or injury that has been diagnosed by a licensed physician, requiring an extended period of treatment or recuperation or which has a significant risk to life or life expectancy. This policy may be used in conjunction with the Federal and State Family Leave laws.

III. CRITERIA FOR DONATING AND RECEIVING LEAVE DONATIONS

Employee Receiving Donated Leave

An employee is eligible to receive donated leave under the following conditions:

a) employee must be a regular full or part time employee;
b) employee must have exhausted all paid leave balances;
c) employee must have a catastrophic illness as previously defined (may also be sustained by a family member including a spouse, child or parent);
d) employee must be prevented from returning to work for at least 30 calendar days and be eligible for long-term disability benefits or family leave;
e) employee cannot receive leave when his/her employment status would prevent continuation of active leave benefits;
f) the medical prognosis for the condition includes a reasonable expectation that proper care and rehabilitation will result in the return of the employee to full duties.

Employee(s) Donating Leave

An employee is eligible to donate accrued sick or vacation leave under the following conditions:

a) employee must be a regular full or part time employee;
b) employee must retain a minimum balance of 100 hours of sick leave and 100 hours of vacation after donating;
c) employee must donate a minimum of four (4) hours.

IV. CONDITIONS

a) participation by regular employees (both donating or receiving) shall be voluntary;
b) leave may be donated only when there is a catastrophic illness as defined above;
c) donated leave shall be converted in the following manner: the donating employee's hours shall be converted to a dollar amount using base salary, then re-converted to the receiving employees hours using base salary;
d) once the leave is donated and posted to the receiving employee, the employee donating such leave shall irrevocably lose all rights and privileges to the leave hours donated;
e) donated leave cannot be used for longer than twelve (12) months, when donated leave is exhausted, or a change in employment status occurs whichever comes first.

V. PROCEDURES

a) For donating employees:
1) A donating employee completes the donation form and sends it through the approval process to Human Resources. Once approved, Payroll will use the date and time approved to track the donation. Donated leave will be credited to the receiving employee from donating employees in chronological order by the date submitted for approval and used only as needed. If there are simultaneous requests to donate, the hours needed will be evenly divided between donating parties.

2) Donations require notice to the department head. The Human Resources Director and the City/District Manager must approve the donation prior to submission to Payroll for final processing.

b) For receiving employees:
1) The receiving employee must be eligible and willing to receive the donated sick or vacation leave. The medical details of the need for the donated leave are up to the receiving employee to share and will be kept confidential, unless otherwise advised in writing by the receiving employee.

2) Once the employee's own leave balances have been exhausted and/or the family leave period has expired, the employee may receive donated leave in lieu of long term disability benefits to remain on paid status. While on paid status, City/District benefits will continue.

3) A receiving employee may not receive donated leave that allows a continuing leave of absence status if a decision would have otherwise been made concerning the employment status of the employee.