

MEMORANDUM OF UNDERSTANDING

Between

INDIVIDUAL POLICE LIEUTENANTS

and

THE CITY OF DAVIS

June 20, 2005 through June 30, 2010

This Memorandum of Understanding, hereinafter referred to as "AGREEMENT", is made and entered into between the EMPLOYEE RELATIONS OFFICER OF THE CITY OF DAVIS, hereinafter referred to as "CITY", and the INDIVIDUAL POLICE LIEUTENANTS (hereinafter referred to as "EMPLOYEES"), pursuant to California Government Code sections 3500 et seq., and the City of Davis Resolution No. 1303, Series 1973, dated June 26, 1973.

The parties have met and conferred in good faith regarding employment terms and conditions of the EMPLOYEES, and having reached agreement on changes to be made in employment benefits and conditions for a period commencing **June 20, 2005, and ending June 30, 2010**, as hereinafter set forth, shall submit this AGREEMENT to the City Council with the joint recommendation that the Council resolve to adopt its terms and conditions and take such other and/or additional action as may be necessary to implement its provisions.

The City has reviewed results of the compensation study and has reached agreement that provides significant adjustments based on the market compensation study. The City will continue to have the goal of equitable compensation.

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SECTION 1. EMPLOYEE GROUPS

The following Management positions will be considered part of this group:

Police Lieutenant

As of the effective date of this Agreement, EMPLOYEES holding positions included within the GENERAL MANAGEMENT GROUP have property rights in their employment and may only be terminated or disciplined for cause.

SECTION 2. COMPENSATION

	FY05/06 Year 1	FY06/07 Year 2	FY07/08 Year 3	FY08/09 Year 4	FY09/10 Year 5	TOTAL
COLA	3.0% (rec'd) 3.0%*	3.0%	3.0%	2.0%	2.0%	16.0%
Mkt Adjustments		3.0%	3.0%	4.0%	3.0%	13.0%
	6%	6%	6%	6%	5%	29.0%

*For FY 2005/2006 a 3% COLA has already been received. The base salary for employees of the Lieutenant Classification shall be increased by an additional 3%. This adjustment shall not be retroactive but shall adjust the base pay upon which subsequent salary adjustments are made.

SECTION 3. FRINGE BENEFITS

SECTION A §125 FLEXIBLE BENEFIT PLAN

Effective January 1, 2007, the City agrees to convert its existing cafeteria to one that qualifies under IRS Code Section 125. The regular and intended effect of the implementation of the plan, under current law, is to enable employees to choose between the receipt of benefits which are not

subject to either State or Federal income tax and a cash out benefit which is subject to tax, but is not included in the employee's hourly rate.

1. The CITY shall make a monthly contribution to each eligible member of the unit to be used toward the § 125 Flexible Benefit Plan. These funds shall only be used for qualified benefits as provided for in IRC § 125. All excess benefit dollars shall be added to each employee's taxable earnings.
2. All employees must enroll in one of the PERS health program plans unless they submit to the CITY proof of health coverage.
 - A. Employees who fail to complete this requirement will be enrolled in the lowest cost health insurance policy the CITY offers through CalPERS.
 - B. Employees who meet the requirement shall be allowed to utilize their § 125 Flexible Benefit Plan contributions for any of the other qualified benefits as provided for in IRC § 125.
3. The term eligible employee for this article shall include:
 - A. Regular full-time employees as defined in the Personnel Rules.
 - B. Regular part-time employees as defined in the Personnel Rules. Regular part-time employees would receive prorated benefits based on the percentage of full-time equivalency. For example a regular employee budgeted at 30 hours per week will receive 75% of cafeteria benefit.

SECTION B

CITY § 125 BENEFIT CONTRIBUTION

1. The CITY will make available to each covered employee a monthly amount equal to the sum of the following health and dental benefits. This amount can be used to either pay for the benefit or it may be taken as cash in lieu if the above criteria are met. The amount allotted for health and dental premiums is the only CITY contribution that can be taken as cash in lieu.

HEALTH BENEFITS CONTRIBUTION

For the term of this AGREEMENT, CITY shall contribute towards each EMPLOYEE member's health plan or cafeteria benefit plan an amount equal to the premium for the group health insurance plan available from Kaiser-North for an employee and two or more dependents sponsored by the CITY through Public Employees Retirement System. These premiums are scheduled to change January 1 2007, January 1, 2008, and January 1, 2009 and the CITY will change its health insurance contributions on the same schedule.

The following CalPERS health care programs are currently offered:

Blue Shield HMO	PERS Care
Kaiser	PERS Choice
Western Health Advantage	

DENTAL BENEFITS CONTRIBUTION

For the term of this AGREEMENT, CITY shall contribute towards each EMPLOYEE member's dental plan or cafeteria benefit plan the total monthly premium, for the term of this contract, effective July 1, 2005 for the CITY'S self-funded dental plan for employee with two or more dependents. CITY will continue to include unmarried dependents through age 22 consistent with the CITY'S health benefits, in the dental insurance program.

2. The CITY will make available to each covered employee a monthly amount equal to the sum of the following life and long term disability insurance benefit payments. Participation in the life insurance and long term disability insurance is mandatory and these premiums may not be taken as cash in lieu.

LIFE INSURANCE

For the term of this AGREEMENT, CITY shall contribute towards each EMPLOYEE member's cafeteria benefit plan the amount to purchase a \$100,000 policy. Purchase of this policy is mandatory.

This policy will carry an accidental death and dismemberment (AD&D) rider. The AD&D rider provides a benefit of up to \$100,000 subject to the terms and conditions of the policy.

LONG TERM DISABILITY BENEFIT

The CITY shall provide long (LTD) term disability insurance coverage for all employees. For the term of this AGREEMENT, CITY shall contribute towards each EMPLOYEE member's cafeteria benefit plan the amount to purchase the Long Term Disability Benefit provided in City of Davis Self-Insured Long Term Disability Plan. Purchase of this policy is mandatory.

Current Benefits

Up to 66 2/3% of the monthly salary. Payments to be paid during the disability until age 65. See City of Davis Self-Insured Long Term Disability Plan passed and adopted by City Council on December 5, 2001.

Waiting Period

Benefits shall begin 30 calendar days after occurrence.

3. The CITY agrees to make available to each covered employee the following optional benefits. Participation in these benefits is optional, and there will be no additional contribution by the CITY to purchase these benefits.

SUPPLEMENTAL LIFE

The CITY shall make available to all represented employees the option to purchase supplemental term life and accidental death and dismemberment insurance, at no cost to the CITY, subject to the insurance carrier's additional premiums, conditions and/or requirements. Optional coverage shall be in increments of \$10,000. The option to increase or decrease coverage shall be exercisable during open enrollment periods.

VISION CARE

City shall continue to make vision care available to the EMPLOYEE, at no cost to the CITY.

FLEXIBLE BENEFIT PLANS

IRC § 125 provides additional tax advantages, allowing for the establishment of individual employee savings accounts called Flexible Spending Accounts (FSA). This alternative allows EMPLOYEES to cover the following on a pretax basis at no cost to the CITY:

1. Uncovered Health Care Expenses up to \$2,000
2. Dependent Care Expenses up to \$5,000

Amounts will be made available to the employee to pay premiums for enrollment of the employee and his/her dependents in CITY sponsored health and dental insurance programs of the employee's choice. Enrollment of the employee and his/her dependents in CITY sponsored health programs is mandatory unless proof of acceptable current alternate coverage is presented. Any amount in excess of the premiums required for the health and dental insurance coverage selected by the employee will be added to the employee's gross pay prior to income tax withholding and paid with bi-weekly paychecks.

Once enrolled in a cafeteria distribution plan, employees will only be permitted to modify the plan on the same basis as changes are permitted in health and dental insurance plans, that is, during open enrollment periods and when the employee's dependent status changes.

CITY agrees to continue to enable an EMPLOYEE, who is married to another employee of CITY, to combine their respective CITY contributions for health insurance premiums for a plan available through CITY to offset the cost of their health insurance premiums for themselves and their eligible dependents up to the maximums for each employee, as specified above, and/or, as applicable under the terms of another Memorandum of Understanding. Said employees agree to enroll in the same plan as an employee and dependent rather than as two separate employees.

RETIREE HEALTH

For Public Safety EMPLOYEES, CITY shall pay a retired EMPLOYEE'S actual group health insurance plan selected by the retired Public Safety EMPLOYEE, not to exceed the PERS rate for Kaiser-North sufficient to provide coverage for an eligible EMPLOYEE with two or more dependents.

SECTION 3. PERS RETIREMENT SYSTEM.

A. Employee Retirement

The CITY shall continue providing Employees with the CalPERS "3% at 50" local safety retirement plan. The CITY will continue to structure the salary and required employee pension contributions to maximize compensation reported to CalPERS and to take advantage of the federal Internal Revenue Code 414(h)(2) and related CalPERS Board rulings. The "last highest year" basis for retirement computation pursuant to California Government Code Section 20042 shall also continue.

B. Sick Leave Credit

The CITY shall continue to provide all employees with the CalPERS sick leave conversion benefit pursuant to Section 20965 of the Government Code.

C. 1959 Survivor Benefits

CITY agrees to continue the increased Level Four (4) 1959 Survivor's Benefits Payments as permitted by Government Code section 21574.5, as set forth below:

SURVIVORS' BENEFITS PAYMENT SCHEDULE

<u>Beneficiary</u>	<u>Monthly Benefit</u>
1. Spouse and two or more dependent children, or three or more dependent children alone:	\$2,280.00
2. Spouse and one dependent child, or two dependent children alone:	\$1,900.00
3. Spouse alone, age 62 or older, or one dependent child alone:	\$ 950.00
4. If there is no spouse or dependent child, then to each dependent parent (age 62, or older):	
\$ 950.00.	

SECTION 5. DEFERRED COMPENSATION.

CITY agrees to continue the contract with the International City Managers Association (ICMA) and PERS for deferred compensation programs entitling EMPLOYEES to defer receipt of a portion of their salary until retirement or other time jointly agreed upon by individual EMPLOYEES and ICMA or PERS. Nothing contained herein shall obligate CITY to make any contributions on behalf of EMPLOYEES.

SECTION 6. EDUCATION/CERTIFICATE INCENTIVE.

Effective June 19, 2006:

A. Management Certificate. EMPLOYEES who have earned a POST Management Certificate shall receive an additional 2.5% above base salary.

B. Post-Graduate Pay. Additionally, EMPLOYEES who hold a Masters degree or higher from an accredited school or university, or who complete POST Command College, shall receive an additional 2.5% of base salary as educational incentive.

C. The total educational/certificate incentive shall not exceed a maximum of 5%. Incentive pay shall become operative at the time that the EMPLOYEE can demonstrate attainment of appropriate criteria, which may occur in advance of actual receipt of formal degree and/or certificates.

SECTION 7. SERVICE TERM BONUS.

In recognition of the substantial contribution to the community made by EMPLOYEES as a result of the length of their aggregate City service, the City shall, effective June 19, 2006, award each applicable EMPLOYEE service term bonus pay indicated below.

<u>Service Term</u>	<u>Service Term Bonus</u>
Beginning of 5 th year of service with the City of Davis	2.5% of base salary
Beginning of 10 th year of service with the City of Davis	2.5% of base salary

Service term pay shall be included on each eligible EMPLOYEE's bi-weekly payroll. Eligible EMPLOYEES who leave CITY service and return within two years of separation will receive credit for prior service time. If an eligible EMPLOYEE leaves CITY service and returns after two years of separation, prior service time will not be credited.

The service term pay is to be considered as part of an EMPLOYEE's total compensation. The maximum cost of the service term pay shall be used when calculating total compensation for the purpose of comparing salaries and benefits of the City to other benchmark agencies.

SECTION 8. LEAVE. CITY agrees EMPLOYEES will earn the following paid leave time as specified:

A. Vacation Leave. The purpose of an annual vacation leave is to enable each employee to have a period of time to use as they desire, to rest and relax, and to return to their work mentally refreshed.

1. EMPLOYEES are able to cash-out up to forty (40) hours of vacation as long as: (1) the employee has at least fifteen (15) years of service with the CITY, and (2) the employee has a minimum of one (1) year of accrued vacation on the books.

2. The number of days earned per year shall be prorated and accrued on a bi-weekly basis. EMPLOYEES shall not vest vacation leave until it is actually accrued.

3. The times during a calendar year at which an EMPLOYEE may take their vacation shall be determined by the department head with due regard for the wishes of the EMPLOYEE, and with particular regard for the needs of the service. If the requirements of the service are such that an EMPLOYEE cannot take part or all of their annual vacation in a particular calendar year, such vacation shall be taken during the following calendar year.

4. Any EMPLOYEE, with the consent of the department head and the City Manager, may defer as many working days of their annual vacation as they accumulate during a given year to the succeeding calendar year.

5. EMPLOYEES who terminate employment shall be paid in a lump sum for all accrued, unused vacation leave earned prior to the effective date of termination.

6. EMPLOYEES shall earn vacation leave during each calendar year according to the following schedule:

<u>Years of Employment</u>	<u>Vacation Days Earned Per Year</u>
1-3	15
4-5	17
6-10	20
11	23
12	24
13	25
14	26
15	27
16+	28

B. Management Leave. The purpose of management leave is to partially compensate each EMPLOYEE for the extra time that such EMPLOYEE is required to devote to CITY business outside of normal duty hours. EMPLOYEES receive no other compensation for the extra time that they devote to CITY business and, as such, are entitled to management leave with pay.

1. EMPLOYEES shall be credited with ten (10) working days (i.e., eighty (80) hours) of management leave each calendar year, which shall be prorated and accrued on a bi-weekly basis.

2. The EMPLOYEE shall not vest management leave time until it is actually accrued.

3. EMPLOYEES are encouraged to take all of their management leave off with pay.

4. However, EMPLOYEES are entitled to three (3) options with respect to the manner in which they use this leave:

(1) Take their accumulated time off with pay.

(2) Receive a cash payment for fifty (50) percent of the management leave accrued in one (1) year, and take the remaining balance of their accumulated time off with pay.

(3) Receive a cash payment for a hundred (100) percent of the management leave accrued in one year.

5. Any EMPLOYEE, with the consent of the department head and the City Manager, may defer as many working days of their annual management leave as they accumulate during any given year to the succeeding calendar year.

6. The policy statements contained in this AGREEMENT regarding the time during the calendar year at which an EMPLOYEE may take their vacation leave, holiday leave, and payment for leave upon termination of employment, shall also apply to management leave.

C. Sick Leave. Sick leave shall not be considered as a right to be used at the employee's discretion, but shall be allowed only in case of necessity and actual personal illness

or disability in accordance with the Personnel Rules and Regulations adopted September 13, 2000 and as subsequently amended.

1. Sick leave shall be earned at the rate of eight work hours for each calendar month of service.

2. In order to receive compensation while absent on sick leave, the EMPLOYEE shall notify his or her immediate supervisor or other appropriate department person prior to, or within two (2) hours after the time set for beginning the daily duties, or as may be specified by the department head.

3. An EMPLOYEE may be required to file a physician's certificate stating the cause of absence at the discretion of the supervisor or department head. However, nothing in this provision shall be construed that any EMPLOYEE waives any right of privacy guaranteed under state and/or federal law.

4. EMPLOYEES may take any or all of their accrued sick leave in cases where an EMPLOYEES presence is required elsewhere because of illness, disability, or medical appointments of a member of the EMPLOYEES immediate family. The definition of immediate family shall be consistent with the Personnel Rules and Regulations adopted September 13, 2000 and as subsequently amended.

D. Holidays. EMPLOYEES shall accrue vacation in lieu of holiday time on a pro rata basis per pay period for an annual total of one-hundred sixteen (116) hours.

E. Jury Duty Leave Every EMPLOYEE who is called or required to serve as trial juror shall be entitled to be absent from their duties with the CITY during the period of such service or while necessarily being present in court as a result of such call. Under such circumstances, the EMPLOYEE shall be paid the difference between their full salary and any payment they receive, except travel pay, for such duty.

F. Leave of Absence without Pay The City Manager may grant an EMPLOYEE leave of absence without pay or seniority for not to exceed twelve (12) months in any 12 month period. No such leave shall be granted except upon written request of the employee, setting forth the reason for the request, and the approval will be in writing. Upon expiration of a regularly approved leave or within a reasonable period of time after notice to return to duty, the EMPLOYEE shall be reinstated in the position held at the time it was granted. Failure on the part of an EMPLOYEE on leave to report at its expiration or within a reasonable time after notice to return to duty shall be cause for discharge.

Department heads may grant an EMPLOYEE leave of absence without pay for not to exceed one (1) calendar week. Such leave shall be reported to the City Manager.

G. Attendance EMPLOYEEES shall be in attendance at their work in accordance with the rules regarding hours of work, holidays, and leaves. Failure on the part of an EMPLOYEE

absent without leave, to return to duty within twenty-four (24) hours after notice to return shall be cause for immediate discharge.

SECTION 9. UNIFORMS

A. New Employees Uniforms. New EMPLOYEES will be provided \$3,000 for the purchase of uniforms and equipment. These uniforms and equipment are to be considered personal property. It is the responsibility of the EMPLOYEE to obtain and maintain these items. Eligible items are those specified in the departmental regulations and are to include a gun and a ballistic vest which must be worn while in uniform and out of the office, subject to Department Policy. If an employee is in the office, he/she must have the vest immediately available. If an employee leaves, for any reason, while still on probation, two options are available for pay back, which include (1) prorate the cash allowance provided by the CITY from the date of hire to be repaid by employee, or (2) return equipment purchased with city funds and identified by the department.

B. New SWAT and EOD Members. EMPLOYEES who become new SWAT or EOD members will be provided \$600.00 lump sum one-time only payment for uniforms and equipment. It is the responsibility of the EMPLOYEE to obtain and maintain these items. Eligible uniform items are those items specified in department regulations.

C. Re-assigned Division Commanders. EMPLOYEES who are transferred from a uniformed assignment to a plain-clothes assignment, or from a plain-clothes assignment to a uniformed assignment, where the transfer is reasonably anticipated to last more than one-year, shall, in addition to the annual uniform allowance, be provided a \$500.00 lump sum payment.

D. Uniform Replacement Allowance. CITY agrees to provide a uniform replacement allowance for each eligible EMPLOYEE of \$1,500.00 per fiscal year for the cost of replacing eligible uniform items. Eligible items are those specified in departmental regulations. EMPLOYEES shall begin receiving a replacement allowance after completion of one year of service. The allowance shall be paid in a lump sum at the beginning of each fiscal year.

E. SWAT and EOD Replacement Allowance. CITY agrees to provide a uniform replacement allowance for each SWAT or EOD member of \$250.00 per fiscal year after the first year of participation. Eligible items are those specified in departmental regulations.

F. Uniform Cleaning Allowance. CITY agrees to pay EMPLOYEES One-Hundred Fifty (\$150) per fiscal year as a “Uniform Cleaning Allowance” to be used for the specific and limited purpose of having cleaned and otherwise maintained those items of uniform that the CITY requires them to wear during the performance of their assigned duties. CITY agrees to pay eligible EMPLOYEES one-half (1/2) of the “Uniform Cleaning Allowance” at the end of each half of each fiscal year.

G. Uniform Policy. All EMPLOYEES covered under this MOU shall comply with the uniform and dress policies contained in the Departmental Uniform and Dress Policy at all times while on duty. Any change in this policy shall be agreed upon between the Police Chief and EMPLOYEES.

H. Repair and Replacement of Damaged Uniforms/Equipment. EMPLOYEES shall be reimbursed for the repair and replacement of personal property damaged in the course of employment and performance of their assigned duties without fault or negligence on the part of the EMPLOYEE as provided in this section. The option to repair or replace damaged items and to

determine whether replaced property shall be returned to the EMPLOYEE rests with CITY. The intent of this benefit program is to permit reimbursement for the repair and replacement of such items as eye glasses, hearing aids, dentures, watches, or professional equipment if necessarily worn or carried by the EMPLOYEE in the course of his/her employment. Reimbursement shall not be authorized in connection with ordinary wear and tear.

1. This benefit program shall not apply to the following:

(1) Losses by mysterious disappearance or theft.

(2) Losses of precious or semi-precious stones from settings in watches, eye glasses, and other normal utilitarian items.

(3) Losses of any automobile or other vehicle.

(4) Losses to the property of others when in the care, security or control of the employee.

(5) Losses of money.

(6) Losses resulting from acts of negligence on the part of the EMPLOYEE.

2. In the event the EMPLOYEE has insurance covering the loss to which this benefit program applies, the benefits afforded under this agreement shall apply only as excess benefits to that paid under the EMPLOYEE's insurance.

3. The provisions of this benefit program shall not apply if the employee has concealed or misrepresented any fact or circumstance concerning the subject of his/her loss, his/her interest therein, or in the case of any fraud or false statements by the employee relating thereto.

4. In no event shall CITY be liable for more than Five-Hundred (\$500) for any individual item nor for more than One-Thousand (\$1,000) for all losses occurring in a single fiscal year.

5. Claims will be paid only under the following circumstances:

(1) Claimant must submit proof of purchase and purchase price for the item claimed, or the claim will be denied.

(2) Claims will be paid on the basis of original purchase price (not replacement value) less depreciation as set out below.

(3) The purchase price will be depreciated at the rate of 33-1/3% per year, prorated from date of purchase.

(4) Employee claimant must notify the department if the damage is the direct result of the actions of another (i.e., combative arrest or foot pursuit) and if a request for restitution has been made.

SECTION 10. LAYOFF GUIDELINES In the event of layoffs, CITY shall endeavor to provide as much notice as reasonably practicable to affected EMPLOYEES attempting to do the best for EMPLOYEES realizing it takes as much as four to six months to find a new position. If layoffs are necessary, they would be implemented based on time in rank and grade.

SECTION 11. EXTRA DUTY EMPLOYMENT. EMPLOYEES who engage in Extra-Duty employment under the Rules and Regulations adopted by the department head shall be compensated at time and one-half of the EMPLOYEES regular pay rate.

SECTION 12. MUTUAL AID/DECLARED DISASTER EMERGENCY

To the extent that the CITY costs are reimbursable by the federal government, the CITY agrees to pay EMPLOYEES time and one-half the regular rate of pay for all time away outside of regularly scheduled working hours. The event must be a declared disaster and eligible for reimbursement by the federal government. It is the intent of the CITY to pay as usual and then CITY will request reimbursement of the federal government and if the CITY is reimbursed then the CITY will adjust the pay of the employees who worked the declared disaster.

SECTION 13. BILINGUAL PAY.

City agrees to pay \$75.00 per month per certified EMPLOYEE for bilingual pay under the following conditions:

A. Certification.

1. Certification of proficiency will be accepted upon successful completion of written and oral test administered by an individual or organization designated by the CITY.
2. Employees will pay the charged fee to be tested the first time. Employees will be reimbursed for the full amount of the fee if they pass the test. CITY will pay additional costs, if any, associated with administration of the offered test.
3. Test will be designed by the CITY designated individual or organization with participation by one member of Police Management and one member of the Human Resource Office.
4. If an employee fails the initial test, all expenses associated with requests for subsequent re-testing will be paid in full by the employee.

5. Tuition Reimbursement may not be used for costs of actual testing. Tuition Reimbursement may be used for pre-approved courses.

B. Approved Languages. The Police Chief can approve any language that meets the CITY's needs. The Police Chief may make changes to the approved language list with the approval of the City Manager.

C. Effective Dates. Employees covered by this AGREEMENT are eligible from the first day of hire to qualify to be tested and to qualify for receipt of bilingual pay.

SECTION 14. GRIEVANCES

The grievance procedure stated in City of Davis Personnel Rules and Regulations adopted September 13, 2000 and as subsequently amended from time to time, shall be the exclusive method of adjusting grievances between CITY and EMPLOYEES.

SECTION 15. WRITTEN REPRIMAND

The CITY agrees to automatically remove Written Reprimands from all covered EMPLOYEES under this AGREEMENT personnel file after 5 years and 6 months as long as the Written Reprimand is not referred to in a subsequent disciplinary document. Then removal of such discipline would be left to the discretion of the City Manager.

SECTION 16. MANDATORY DIRECT DEPOSIT.

The EMPLOYEES agree to implement mandatory payroll direct deposit for all EMPLOYEES covered by this AGREEMENT.

SECTION 17. TERM AND EFFECT OF AGREEMENT

A. This AGREEMENT shall be effective June 20, 2005, and shall remain in effect to and including June 30, 2010.

B. During the term of the AGREEMENT, the provisions herein shall govern the wages, hours, benefits, and working conditions of employees covered by this AGREEMENT. Except as otherwise provided herein, neither party hereto shall be required to meet and confer upon matters set forth in this AGREEMENT, except that the parties may meet and confer during the term of this AGREEMENT on any matter within the scope of representation where (1) the matter is not covered by the AGREEMENT or was not expressly raised as an issue during the meeting and conferring process by which this AGREEMENT arose; and (2) there has arisen a significant change in circumstances with respect to such matter, which could not have reasonably been anticipated by both parties at the time they signed this AGREEMENT.

C. CITY and EMPLOYEES agree that meet and confer sessions pertaining to a successor AGREEMENT shall be commenced as soon as possible after the request of either party made after **January 1, 2010** with the mutual intent of ratifying such AGREEMENT prior to June 30, 2010.

SECTION 18. CONSTRUCTION OF AGREEMENT

The language in all parts of this AGREEMENT shall, in all cases, be construed as a whole and in accordance with its ordinary and fair meaning. The captions of the paragraph and sub paragraphs of this AGREEMENT are for convenience only and shall not be construed or referred to in resolving questions of construction.

This AGREEMENT has been reviewed by both parties and by legal counsel for the CITY. The agreement shall be deemed to have been drafted by both parties and ambiguities shall not be construed against either party.

SECTION 19. COVENANT OF GOOD FAITH AND FAIR DEALING.

Neither party shall do anything which shall have the effect of harming or injuring the other party to receive the benefits of this AGREEMENT; each party shall refrain from doing anything which would render its performance under this AGREEMENT impossible; and, each party shall do everything which this AGREEMENT contemplates to accomplish the purposes and objectives of this AGREEMENT.

SECTION 20. EFFECTIVE DATE OF CHANGES.

Except as otherwise specified, this agreement is effective June 20, 2005.

SECTION 21. ALL OTHER TERMS AND TO REMAIN THE SAME.

All terms and conditions of employment, regulations and administrative practices which are within the scope of representation and which are not expressly amended by this AGREEMENT shall remain unchanged during the term of this AGREEMENT. This AGREEMENT is the entire agreement of the parties.

SECTION 22. COPIES OF AGREEMENT.

CITY shall provide all EMPLOYEES with one fully executed copy of this memorandum (including a conformed copy of the authorizing resolution) within five (5) days from ratification by the City Council.

DATED: _____

EMPLOYEE RELATIONS OFFICER OF THE
CITY OF DAVIS

By: _____
William Emlen

Dorothy Pearson

Darren Pytel

Colleen Turay