

**MEMORANDUM OF UNDERSTANDING
CITY OF NEVADA CITY
MANAGEMENT EMPLOYEES**

July 2, 2016 through June 30, 2018

This Memorandum of Understanding applies to the following management employees:

- Assistant City Manager
- Planning Manager
- Fire Chief

COMPENSATION:

The salary schedule for employees of this unit shall be a five step salary schedule which is attached hereto as Exhibit 'A'. Compensation adjustments shall be made to the classifications as follows:

	Effective July 2, 2016	Effective July 1, 2017
Assistant City Manager	4.0%	4.0%
Fire Chief	6.0%	4.0%
City Planner	4.0%	2.0%

REIMBURSEMENT FOR TRAVEL AND OTHER OFFICIAL EXPENSE:

Employees shall be reimbursed for such expenses as approved by the City Manager in such amounts as designated by the City Council policy regarding reimbursement of travel and other official expenses. The City policy is attached hereto as Exhibit 'B'.

RETIREMENT:

Employees covered by this Memorandum of Understanding participate in the following Public Employees' Retirement Systems and are required to make the appropriate employee contributions for their respective plans.

- Tier 1 safety employees hired prior to February 10, 2010 covered by this agreement will participate in the Public Employees Retirement System (PERS) 3% @ 50 formula. Effective July 2, 2016, the City shall pay on behalf of the employee 2% of the 9% employee member contributions and the employee shall pay the remaining 7% on a pre-tax basis. Effective July 1, 2017, the employee shall pay the full employee member contribution of 9% on a pre-tax basis.
- Tier 1 non-safety employees hired prior to February 10, 2010 covered by this agreement will participate in the Public Employees Retirement System (PERS)

2.5% @ 55 formula. Effective July 2, 2016, the City shall pay on behalf of the employee 2% of the 8% employee member contributions and the employee shall pay the remaining 6% on a pre-tax basis. Effective July 1, 2017, the employee shall pay the full employee member contribution of 8% on a pre-tax basis.

- Tier 2 non-safety employees hired on or after February 10, 2010 that are considered "Classic Members" will participate in the City's Public Employees Retirement System 2%@60 formula. Effective July 2, 2016, Tier 2 non-safety employee members shall pay the full employee member contribution of 7% on a pre-tax basis.
- Tier 3 safety hired after January 1, 2013 or later who are not considered "Classic Members" by CalPERS will participate in either the Public Employees Retirement System 2%@57 formula (safety) or 2%@62 (non-safety) formulas. Tier 3 employees shall pay half of the "Total Normal Cost" on a pre-tax basis up to limits established by CalPERS.

CELLULAR PHONE STIPEND:

The City will provide a cellular phone stipend of \$40 per month to the Fire Chief in acknowledgement of the fact that the City requires the Fire Chief to be generally accessible via cellular phone for the conduct of City-related business. The Fire Chief shall provide and the City may publish the cellular phone number to designated individuals and organizations with whom the employee normally conducts City-related business. Employees receiving a cell phone stipend are responsible for securing a cellular phone and a usage plan of their choice and shall provide immediate notification to the City in the event their cellular plan is cancelled or terminated. In the event of cancellation or termination, the City reserves the right to eliminate the stipend benefit.

VEHICLE RETENTION/USAGE:

The Fire Chief is authorized overnight home retention of a City-provided vehicle for public safety purposes.

HOLIDAYS:

Management Employees shall be entitled to the following paid holidays:

- New Year's Day – January 1st
- Martin Luther King, Jr. Day – Third Monday in January
- President's Day – Third Monday in February
- Cesar Chavez Day – March 31st
- Memorial Day – Last Monday in May
- Independence Day - July 4th
- Labor Day – First Monday in September
- Columbus Day – Second Monday in October
- Veteran's Day – November 11th
- Thanksgiving Day – 4th Thursday in November
- Day following Thanksgiving Day – 4th Friday in November
- Christmas – December 25th
- Two Floating holidays

VACATION AND VACATION ACCUMULATION:

In addition to the terms and conditions contained in the City's Personnel Regulations, the following terms are agreed to between members of this unit and the City:

Employees may accrue up to 320 hours of vacation leave or two times annual accrual amount, whichever is less. No further accrual of vacation leave time may accrue without advance approval from the City Manager. Approval must be based upon a valid work or personal restriction on taking vacation leave and any approval must include a reasonable plan for reducing the leave balance.

SICK LEAVE:

Employees shall be entitled to sick leave benefits specified in the "Sick Leave Policy" (Section 2240 of City Personnel Regulations).

LEAVES OF ABSENCE:

Employees shall be entitled to Leaves of Absence specified in the following policies, and Federal and State laws:

- Family & Medical Leave – California Family Rights Act
- State Fair Housing and Employment Act and Pregnancy Disability Leave
- Federal Family and Medical Leave Act

ABSENCE POLICY:

Employees covered by this agreement shall be subject to the terms and conditions of the absence policy (Section 2260 of City Personnel Regulations) which provides that excused absences for family members, as provided in Labor Code Section 234, shall not be considered in evaluating or disciplining employees and that supervisors shall utilize the absence policy as suggested guidelines for evaluating and/or disciplining employees for absences, but shall assess each case on its own merit.

GROUND FOR DISCIPLINE:

Employees covered by this agreement shall be subject to the terms and conditions of the Grounds for Discipline Policy (Section 2310 of City Personnel Regulations).

GRIEVANCE PROCEDURE:

Employees covered by this agreement shall be subject to the terms and conditions of the Grievance Procedure (Section 2320 of City Personnel Regulations).

PROBATIONARY PERIOD (2080):

Before employing a person as a full-time or part-time regular employee, the City shall employ that person as a probationary employee for a period of at least twelve (12) months. The City Manager may extend the probation period beyond twelve (12) months. Any extension of the probationary period shall also extend the probationary status of the employee.

The probationary period is a step in the City's hiring process. It allows the probationary employee and the City an opportunity to determine if this is the right job for this person and the right person for the job. The City will use the probationary period to continue its assessment of an applicant for regular employment.

At any time during the probationary period, the probationary employee or the City may terminate the employment relationship without cause and without recourse to the Grievance Procedure set forth in Section 2320 of this Personnel Policy Guide.

If interrupted by an authorized leave or absence, the probation period will be extended accordingly.

DISCIPLINARY ACTIONS (2310):

In addition to the Personnel Regulations Policy, paid administrative leave pending completion of a disciplinary investigation shall not constitute discipline.

LEAVE REGULATIONS:

The City Personnel Policy regarding leave regulations include the following important information:

1. That 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 discipline up to and including termination of employment.
2. No benefits will accrue during any leave of absence without pay, but accrued benefits will not be lost except as otherwise provided (2270.30).
3. During a leave of absence without pay, the City payment of premiums for health benefits will become the responsibility of the employee (2270.40).
4. Except when an employee is on Family Medical Leave Absence (FMLA), an employee's group health benefits will be maintained and paid by the City (2270.40).

ADMINISTRATIVE LEAVE:

Effective the first pay period in July each year all employees covered by this Memorandum of Understanding shall receive 80 hours of administrative leave for use during the current fiscal year. Administrative leave shall be in addition to accrued vacation leave and other leaves provided by the City. Administrative leave shall be subject to the same rules for usage and accounting as vacation leave except as provided below.

Administrative Leave may be requested and scheduled, subject to approval of the City Manager. Administrative Leave may not be accrued, accumulated or carried over from year to year. Any unused Administrative Leave remaining at the end of a fiscal year shall be forfeited.

TUITION REIMBURSEMENT:

Effective the first pay period that begins after July 1, 2008, Management employees who thereafter incur expenses for tuition, books and educational fees at a regionally accredited college or university shall be entitled to reimbursement up to \$500 per fiscal year; provided that such reimbursement shall be conditioned upon receiving a grade of "C" or above or "pass" if the class is a pass/fail. Content of classes taken, with expected reimbursement, must be relevant to job responsibilities.

HEALTH, DENTAL AND VISION INSURANCE BENEFITS:

Effective August 27, 2016, the City shall pay 90% and employees with dependents shall pay 10% of all health premium costs for medical, and dental insurance. The City shall pay 100% of all health premium costs for medical, dental and vision insurance for employees with comprehensive "employee only" health coverage (e.g. medical, dental and vision insurance).

City pays employee portion of vision insurance for all employees; employees pay any dependent vision insurance premiums.

The City will continue to research alternative lesser cost plans to offer the City employees to keep premium costs down.

Employees who waive City provided medical insurance with proof of other health plan coverage shall receive \$100/per pay period in lieu of the City payment of medical premiums.

CITY RIGHTS:

Section 1: The City reserves, retains and is vested with, solely and exclusively, all rights of Management which have not been expressly abridged by specific provision of this Memorandum of Understanding or by law to manage the City, as such rights existed prior to the execution of this Memorandum of Understanding. The sole and exclusive rights of Management, as they are not abridged by this Agreement or by law, shall include, but shall not be limited to, the following rights:

- a. To manage the City generally and to determine the issues of policy;
- b. To determine the existence or non-existence of facts which are the basis of the Management decision;
- c. To determine the necessity and organization of any service or activity conducted by the City and to expand or diminish services;
- d. To determine the nature, manner, means, technology and extent of services to be provided to the public;
- e. To require performance of other public safety services not specifically stated herein in the event of emergency or disaster, as deemed necessary by the City.
- f. To determine methods of financing;
- g. To determine types of equipment or technology to be used;
- h. To determine and/or change the facilities, methods, technology, means and size of the work force by which the City operation is to be conducted;
- i. To determine and change the number of locations, relocations and types of operations, processes, and materials to be used in carrying out all City functions including, but not limited to, the right to contract for or subcontract any work or operation of the City.
- j. To assign work to and schedule employees in accordance with requirements as determined by the City and to establish and change work schedules and assignments;
- k. To relieve employees from duties for lack of work or similar non-disciplinary reasons;
- l. To establish and modify productivity and performance programs and standards;
- m. To discharge, suspend, demote or otherwise discipline employees for proper cause;
- n. To determine job classifications and to reclassify employees; and
- o. To hire, transfer, promote and demote employees for non-disciplinary reasons in accordance with this Agreement and applicable City Resolutions and Codes.

The City's exercise of a City right listed herein shall not be subject to the Grievance Procedure unless it is alleged that such exercise raises an issue involving the interpretation of Personnel Rules or this Memorandum of Understanding. In that case, the grievance will be limited to the dispute over the interpretation of the Rules or the Memorandum of Understanding.

ENTIRE AGREEMENT:

Section 1: It is the intent of the parties hereto that the provisions of this Agreement shall be the sole source of any and all rights, which may be asserted hereunder. This Agreement is not intended to conflict with Federal or State law.

Section 2: Notwithstanding the provisions of Section 1, there exists within the City certain personnel rules and regulations and departmental rules and regulations. To the extent that this Agreement does not specifically contradict these personnel rules and regulations or departmental rules and regulations or City ordinances, they shall continue subject to being changed by the City in accordance with the exercise of City rights under this Agreement and applicable State law.

WAIVER OF BARGAINING DURING TERM OF THIS AGREEMENT:

Except where required by the terms of this Agreement the parties mutually agree that they will not seek to negotiate or bargain with regard to wages, hours, and terms and conditions of employment, whether or not covered by this Agreement, and irrespective of whether or not such matters were discussed or were even within the contemplation of the parties. Regardless of the waiver contained in this Article, the parties may, however, by mutual agreement, in writing, agree to meet and confer about any matter during the Agreement.

EMERGENCY WAIVER PROVISION:

In the event of circumstances beyond the control of the City, such as acts of God, fire, flood, insurrection, civil disorder, national emergency, or similar circumstances, provisions of this Agreement or the Personnel Rules and Regulations of the City, which restrict the City's ability to respond to these emergencies shall be suspended for the duration of such emergency. After the emergency is over, the Unit shall have the right to meet and confer with the City regarding the impact on employees of the suspension of these provisions in the Memorandum of Understanding and any Personnel Rules and policies.

ADVERSE FINANCIAL IMPACT:

In the event that the City suffers substantial economic hardship during the term of this agreement, the parties agree to engage in a cooperative dialogue about ways to assist the City in addressing such hardship. "Substantial economic hardship," as used herein, shall include, but not be limited to, the following: a decline in overall General Fund revenues of five percent (5%); a reduction in General Fund reserves of thirty percent (30%) or more; an unbudgeted increase of ten percent (10%) or more in City expenses; or a decision by the City Council to declare a fiscal emergency. Nothing in this paragraph shall preclude or impede the City Council from exercising such additional authority as may be conferred by other provisions in this agreement or by State or Federal law.

FULL FORCE AND EFFECT:

All provision of Agreement shall remain in full force and effect for the duration of this Agreement.

TERM OF AGREEMENT:

The term of this Agreement shall cover the period beginning July 2, 2016, and shall continue in full force and effect through June 30, 2018.

**CITY OF NEVADA CITY - 5 STEP SALARY SCHEDULE
JULY 2016
MANAGEMENT UNIT - EXHIBIT A**

Assistant City Manager

As of 7/1/13

	A	B	C	D	E
Monthly	\$ 6,374	\$ 6,693	\$ 7,028	\$ 7,379	\$ 7,748
Hourly	\$ 36.77	\$ 38.61	\$ 40.55	\$ 42.57	\$ 44.70

Annual Range	
\$ 76,488	\$ 92,976

As of 7/1/14

	A	B	C	D	E
Monthly	\$ 6,565	\$ 6,894	\$ 7,239	\$ 7,600	\$ 7,980
Hourly	\$ 37.88	\$ 39.77	\$ 41.76	\$ 43.85	\$ 46.04

Annual Range	
\$ 78,783	\$ 95,765

As of 7/1/15

	A	B	C	D	E
Monthly	\$ 6,762	\$ 7,101	\$ 7,456	\$ 7,828	\$ 8,220
Hourly	\$ 39.01	\$ 40.97	\$ 43.02	\$ 45.16	\$ 47.42

Annual Range	
\$ 81,146	\$ 98,638

As of 7/1/16: 4%

	A	B	C	D	E
Monthly	\$ 7,033	\$ 7,385	\$ 7,754	\$ 8,142	\$ 8,549
Hourly	\$ 40.57	\$ 42.60	\$ 44.74	\$ 46.97	\$ 49.32

Annual Range	
\$ 84,392	\$ 102,584

As of 7/1/17: 4%

	A	B	C	D	E
Monthly	\$ 7,314	\$ 7,680	\$ 8,064	\$ 8,467	\$ 8,891
Hourly	\$ 42.20	\$ 44.31	\$ 46.53	\$ 48.85	\$ 51.29

Annual Range	
\$ 87,768	\$ 106,687

City Planner

As of 7/1/13

	A	B	C	D	E
Monthly	\$ 5,059	\$ 5,312	\$ 5,578	\$ 5,857	\$ 6,150
Hourly	\$ 29.19	\$ 30.65	\$ 32.18	\$ 33.79	\$ 35.48

Annual Range	
\$ 60,708	\$ 73,800

As of 7/1/14

	A	B	C	D	E
Monthly	\$ 5,211	\$ 5,471	\$ 5,745	\$ 6,033	\$ 6,335
Hourly	\$ 30.06	\$ 31.57	\$ 33.15	\$ 34.80	\$ 36.55

Annual Range	
\$ 62,529	\$ 76,014

As of 7/1/15

	A	B	C	D	E
Monthly	\$ 5,367	\$ 5,636	\$ 5,918	\$ 6,214	\$ 6,525
Hourly	\$ 30.96	\$ 32.51	\$ 34.14	\$ 35.85	\$ 37.64

Annual Range	
\$ 64,405	\$ 78,294

As of 7/1/16: 4%

	A	B	C	D	E
Monthly	\$ 5,582	\$ 5,861	\$ 6,154	\$ 6,462	\$ 6,786
Hourly	\$ 32.20	\$ 33.81	\$ 35.51	\$ 37.28	\$ 39.15

Annual Range	
\$ 66,981	\$ 81,426

As of 7/1/17: 2%

	A	B	C	D	E
Monthly	\$ 5,693	\$ 5,978	\$ 6,277	\$ 6,591	\$ 6,921
Hourly	\$ 32.85	\$ 34.49	\$ 36.22	\$ 38.03	\$ 39.93

Annual Range	
\$ 68,321	\$ 83,055

Fire Chief

As of 7/1/13

	A	B	C	D	E
Monthly	\$ 5,999	\$ 6,299	\$ 6,614	\$ 6,944	\$ 7,291
Hourly	\$ 34.61	\$ 36.34	\$ 38.16	\$ 40.06	\$ 42.06

Annual Range	
\$ 71,988	\$ 87,492

As of 7/1/14

	A	B	C	D	E
Monthly	\$ 6,179	\$ 6,488	\$ 6,812	\$ 7,152	\$ 7,510
Hourly	\$ 35.65	\$ 37.43	\$ 39.30	\$ 41.26	\$ 43.33

Annual Range	
\$ 74,148	\$ 90,117

As of 7/1/15

	A	B	C	D	E
Monthly	\$ 6,364	\$ 6,683	\$ 7,017	\$ 7,367	\$ 7,735
Hourly	\$ 36.72	\$ 38.55	\$ 40.48	\$ 42.50	\$ 44.63

Annual Range	
\$ 76,372	\$ 92,820

As of 7/1/16: 6%

	A	B	C	D	E
Monthly	\$ 6,746	\$ 7,084	\$ 7,438	\$ 7,809	\$ 8,199
Hourly	\$ 38.92	\$ 40.87	\$ 42.91	\$ 45.05	\$ 47.30

Annual Range	
\$ 80,954	\$ 98,389

As of 7/1/17: 4%

	A	B	C	D	E
Monthly	\$ 7,016	\$ 7,367	\$ 7,735	\$ 8,121	\$ 8,527
Hourly	\$ 40.48	\$ 42.50	\$ 44.63	\$ 46.85	\$ 49.19

Annual Range	
\$ 84,193	\$ 102,325

RATIFICATION AND EXECUTION:

The City and the Nevada City Management Employees acknowledge that this Memorandum of Understanding shall be in full force and effect once adopted by the City Council for the City of Nevada City. Subject to the foregoing, this Memorandum of Understanding is hereby executed by the authorized representatives of the City and the Nevada City Management Employees and entered into this 24th day of August 2016.

CITY OF NEVADA CITY



Mark T. Prestwich
City Manager

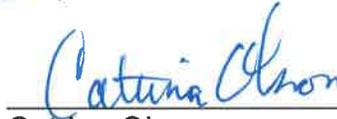
**NEVADA CITY
MANAGEMENT EMPLOYEES**



Sam Goodspeed



Amy Wolfson



Catrina Olson