



MEMORANDUM OF UNDERSTANDING (M.O.U.)

BETWEEN

THE CITY OF UPLAND

AND

**THE UPLAND FIRE
MANAGEMENT ASSOCIATION**

July 1, 2010 to June 30, 2015

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MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF UPLAND
AND
THE UPLAND FIRE MANAGEMENT ASSOCIATION
JULY 1, 2010 – JUNE 30, 2015

ARTICLE 1 - TERM OF AGREEMENT

Except where expressly stated otherwise herein, the City and Association agree that the provisions of this Memorandum of Understanding (MOU) shall become effective on July 1, 2010 and shall expire on June 30, 2013. However, in January 2013, the parties extended their MOU to expire on June 30, 2015. On or about April 2015, the parties shall informally confer to determine if they wish to mutually agree to a one year extension of the MOU until June 30, 2016. If they mutually agree to such an extension, this MOU will be extended to June 30, 2016. If they do not mutually agree, this MOU will expire on June 30, 2015.

ARTICLE 2 – PREAMBLE

It is the intent and purpose of this MOU to set forth the understanding of the parties reached as a result of meeting and conferring in good faith regarding, but not limited to, matters relating to the wages, hours, and terms and conditions of employment between the City of Upland (hereinafter referred to as “City”) and the Upland Fire Management Association (hereinafter referred to “Association”).

ARTICLE 3 – RECOGNITION

The Association is the recognized employee organization for the personnel employed in the Fire Department occupying the classifications of Fire Battalion Chief and Fire Division Chief.

ARTICLE 4 - MANAGEMENT RIGHTS

The authority of the City includes the exclusive right to determine the mission of its constituent departments, commissions and boards; set standards of service; determine the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of work; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; exercise complete control and discretion over its organization and the technology of performing its work, provided, however, that the exercise and retention of such rights does not preclude employees or their representatives from meeting and conferring over the practical consequences that decisions on these matters may have on wages, hours and other terms and conditions of employment.

During the term of this MOU, the City shall knowingly and intentionally waive its right to contract out or subcontract any bargaining unit work for members of the Association.

ARTICLE 5 – SALARIES

There shall be no salary increases during the term of this MOU.

ARTICLE 6 – RETIREMENT

For all members of the Association with the exception of those defined as “New Members” per the California Public Employees’ Pension Reform Act of 2013

The City of Upland provides its Fire Management employees with membership in the California Public Employees Retirement System (CalPERS), 3% @ 55 retirement formula. The City pays the employee contribution of 9% of salary. The employees pay 5.8% of salary (pre-tax) towards the Employer Contribution rate. This 5.8% payroll deduction to share in the cost of 3% @ 55 shall not exceed 5.8%. The City will subtract this 5.8% payroll deduction from Fire Management Unit base salary ranges when conducting salary surveys in the future. The City will also deduct any similar payroll deduction for enhanced retirement from Fire Management Unit base salaries in other agencies when conducting said salary surveys.

Effective June 30, 2013, the City shall stop paying the 9% employee contribution and Association members will stop paying the 5.8% cost share salary/payroll deduction in accordance with Government Code section 20516(f).

Effective July 1, 2013, employees who are not “new members” (who are addressed below in this Article) as defined by the Pension Reform Act of 2013 will pay the nine percent (9%) CalPERS employee/member contribution. The City will pay the 5.8% of the employer cost.

The City contracts with CalPERS for the Single Highest Year Option for all employees who are not defined as “new members” pursuant to the Pension Reform Act of 2013 and the 1959 Survivor Benefit, 3rd level for all members of the bargaining unit. There is an employee cost of \$2.00 per month for the 1959 Survivor Benefit.

The agreement between the City and CalPERS allows for the buy-back of time served by the employee in the Military as defined under PERS Regulation, Section 21024, Statutes of 1976.

For all “New Members” of the Association as defined by the California Public Employees’ Pension Reform Act of 2013

- 1) The parties agree that the provision of AB 340 (The California Pension Reform Act of 2013) went into effect on January 1, 2013. In addition, if there is any other clean up or other retirement legislation which goes into effect during this MOU and if there are provisions of that legislation which, by law automatically goes into effect, it shall do so. Either party may request to negotiate over impact of such subsequent legislation.

- 2) Two Tier Retirement: Pursuant to the Act, for “new members” (as defined by the Act) who are employees hired after January 1, 2013, they will be hired pursuant to the 2.7% @ 57 retirement formula.
- 3) For “new members” (as defined by the Act) who are employees hired after January 1, 2013, final compensation will be based on the highest annual average compensation earnable during the three consecutive years of employment immediately preceding the effective date of his or her retirement.

Employee Paid Retirement Contribution – For employees defined as “new members” by the Act hired after January 1, 2013, they shall the pay higher of twelve percent (12%) or one half of the total normal cost rate as defined by the Act as their employee retirement contribution. The parties’ acknowledge that the City has been advised by CalPERS that through June 30, 2015, the employee portion (i.e., one half the total normal cost rate) of the normal cost rate is 12.25%. Thus, new members will pay 12.25% as their retirement contribution.

ARTICLE 7 – EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC)

Until June 30, 2013 the City will report the value of the Employer Paid Member Contribution of nine percent (9%) as compensation earnable for CalPERS retirement purposes.

Effective July 1, 2013, there will no longer be EPMC. As such, there will not be any report of EPMC to CalPERS on behalf of bargaining unit members.

ARTICLE 8 – HEALTH INSURANCE – CAFETERIA PLAN

Employees in this unit will receive \$946.50 per month for the purchase of health insurance benefits through the City’s Cafeteria Plan. The health insurance options under the City’s Cafeteria Plan include medical insurance, dental insurance and vision insurance. Association members may also purchase savings bonds with any remaining Cafeteria Plan Funds or contribute to the City’s deferred compensation plan.

An employee may elect not to be covered by the City’s Health Insurance if an employee provides proof of health insurance coverage from another source. The City may require proof of alternative coverage at any time.

ARTICLE 9 – RETIREE HEALTH INSURANCE REIMBURSEMENT

The City will provide retiree health insurance reimbursement in accordance with the following schedule for employees who retire from the City, have health insurance and are paying a premium which exceeds these amounts. An additional \$45 per month allowance is provided for a spouse if the spouse is covered under the employees insurance. Retirees who are participating in one of the CalPERS health insurance plans will have the PERS administrative fee deducted from their reimbursement.

10 - 14 years of service	\$ 72.57 per month
15 - 19 years of service	\$ 96.81 per month
20 - 24 years of service	\$121.05 per month
25 + years of service	\$145.14 per month

ARTICLE 10 – RETIREE HEALTH SAVINGS ACCOUNTS

Retirement Health Savings (RHS) accounts will be established through ICMA which will be payable to the employee only upon service or disability retirement with the City of Upland. City contributions to the RHS accounts will be based upon years of service in accordance with the following schedule:

Years of Service	Monthly City Contribution	Yearly City Contribution
5 to 9.99	\$12.50	\$150.00
10 to 14.99	\$25.00	\$300.00
15 to 19.99	\$50.00	\$600.00
20 to 24.99	\$75.00	\$900.00
25 +	\$100.00	\$1,200.00

Upon retirement, Fire Division Chiefs and Fire Battalion Chiefs shall convert 50% of accrued sick leave, 100% of accrued vacation, 100% of compensatory time, and 100% of administrative leave/floating holidays to cash and deposit into their Retiree Health Savings Account on a tax deferred basis (in accordance with IRS guidelines). Therefore, the current options of cashing out half of accrued sick leave or using Personal Leave (1/2 of accrued sick leave) at retirement will no longer be allowable.

ARTICLE 11 – LIFE INSURANCE

The City provides Association members with group life insurance in an amount equal to one times (1x) their annual salary.

ARTICLE 12 – LONG TERM DISABILITY INSURANCE

The City assumes the full premium cost for the employee in the City designated long-term disability program. This benefit will pay 66 2/3% of base salary to a maximum of \$5000 per month after 60 days (or use of all sick leave, whichever is later) to qualified members of this unit.

ARTICLE 13 - DEFERRED COMPENSATION

The City contributes six percent (6%) of base monthly salary to the City's deferred compensation plan on behalf of each employee in the unit. This amount may also be used toward the employee's cafeteria options as defined in Article 7, Health Insurance – Cafeteria Plan.

ARTICLE 14 - UNIFORM ALLOWANCE

Association members shall receive a uniform allowance in the amount of \$1054 per year for the purchase, maintenance and cleaning of uniforms after completion of 12 months of employment. Uniforms will be provided at the time of appointment.

ARTICLE 15 – PREVENTATIVE HEALTH BENEFIT

Employees in the unit may be reimbursed up to \$180 annually for the purchase of items, classes, memberships or programs which contribute to physical fitness. This reimbursement shall be made in June of each year. Items which will be considered acceptable for reimbursement are defined in the City's policy on Preventive Health Benefits.

ARTICLE 16 – CALL BACK PAY

Battalion Chiefs who are called back to work for emergency recall from their off duty period shall be compensated with a minimum of 2 hours of pay at straight time.

ARTICLE 17 - LONGEVITY PAY

Employees in the unit with twenty (20) years or more of continuous service will receive a two and one half percent (2.5%) increase in base salary.

ARTICLE 18 - OVERTIME PAY

Fire Division Chiefs are exempt and are not eligible for overtime compensation. Fire Battalion Chiefs working a 24 hour schedule are exempt, but are eligible for overtime pay at straight time for strike team leader assignments, emergency recall and shift coverage. This does not include, but is not limited to, training, meetings and other administrative assignments.

Fire Division Chiefs will be compensated for all risk multi-agency incident deployments at straight-time pay for all hours exceeding 40 hours per week. Compensation is contingent on the City being reimbursed for said deployment.

ARTICLE 19 – SPECIAL ASSIGNMENT PAY

Fire Battalion Chiefs will receive an increase in the amount of 2.5% of "E" Step of Fire Engineer for employees who are certified as a Hazardous Materials Specialist if it is deemed appropriate and necessary by the Fire Chief.

ARTICLE 20 - HOLIDAYS

The City of Upland currently observes the following holidays, established by Resolution:

New Year’s Day	(January 1)
Martin Luther King Day	(Third Monday in January)
President’s Day	(Third Monday in February)
Memorial Day	(Last Monday in May)
Independence Day	(July 4)
Labor Day	(First Monday in September)
Thanksgiving Day	(Fourth Thursday in November)
Friday after Thanksgiving Day	(The Day After the Fourth Thursday in November)*
Christmas Day	(December 25)

* *Eight (8) hour holiday*

If the holiday falls on a Friday or Saturday, Thursday shall be designated as the holiday and if the holiday falls on Sunday, Monday shall be designated as the holiday.

All holidays shall be 10 hours unless otherwise noted.

Fire Battalion Chiefs working a 24 hour schedule shall be compensated for holidays with 4.92 hours of holiday pay per payperiod.

Effective July 1, 2012, the hours of holiday pay per payperiod will increase from 4.92 to 5.53.

ARTICLE 21 – FLOATING HOLIDAYS

Fire Division Chiefs shall receive 40 hours of Floating Holiday annually. Floating holiday hours must be used during the calendar year or they will be removed from the books on December 31 of each year.

ARTICLE 22 - SICK LEAVE

Fire Division Chiefs working a 40 hour per week schedule earn sick leave at the rate of 8 hours per month, up to a maximum accrual of 1250 hours. Fire Battalion Chiefs working a 24 hour schedule earn sick leave at a rate of 11.2 hours per month, up to a maximum accrual of 1250 hours. No sick leave may be granted during the first thirty days of employment with the City.

ARTICLE 23 - VACATION

Vacation shall accrue for Fire Division Chiefs based on the following schedule:

01 – 02 Years of service	96 Hours per year
03 – 05 Years of service	120 Hours per year
06 – 16 Years of service	152 Hours per year
17 + Years of service	One additional day (8 hours) per year, up to a maximum of 176 hours per year

Vacation shall accrue for Fire Battalion Chiefs working 24 hour shifts based on the following schedule:

01 – 02 Years of service	5.5 Shifts per year
03 – 05 Years of service	6.5 Shifts per year
06 – 10 Years of service	8.5 Shifts per year
11 – 16 Years of service	9 Shifts per year
17 Years of service	9.5 Shifts per year
18 – 19 Years of service	10.5 Shifts per year
20 + Years of service	11 Shifts per year

All employees may accrue vacation up to a maximum of three (3) years of entitlement.

ARTICLE 24 – VACATION BUYBACK

In December of every year, Fire Management employees may be paid cash in lieu of unused vacation for up to 60 hours of vacation if they have used at least 40 hours of vacation during the preceding year.

ARTICLE 25 - BEREAVEMENT LEAVE

Association members may use up to 5 consecutive days of accrued sick leave for the death of a spouse or blood relation up to 2 generations removed, including spouse’s parents. Bereavement leave (5 days of accrued sick leave) may also be taken for the death of a dependent not related by blood who has lived within the employee’s household for the preceding six months.

The City will consider a request for bereavement leave for the death of a member’s aunt and uncle on a case by case basis.

Members may also take up to four hours per year to attend funeral services in the City of Upland for situations other than the above with Department Head approval.

ARTICLE 26 - EXECUTIVE LEAVE

Fire Division Chiefs shall receive forty (40) hours of executive leave annually. This leave must be used within the calendar year, or it will be removed from the books as of December 31st of each year. Fire Battalion Chiefs are not eligible for Executive Leave.

ARTICLE 27 – SURVEY CITIES

The City and the Association agree to use the following agencies for surveying salaries and benefits: Chino Fire District, Los Angeles County, City of Covina, City of Montclair, City of Ontario, City of Rancho Cucamonga and City of Arcadia.

ARTICLE 28– WORKERS’ COMPENSATION BENEFITS

All workers’ compensation benefits shall be paid in accordance with the Labor Code and all other applicable laws.

ARTICLE 29 - NO STRIKE PROVISION

The Association agrees that it shall not authorize, instigate, aid, condone, or engage in any strike which will interrupt or interfere with the operation of the City. The City places the Association on notice of its intention and right to terminate any employee who instigates or engages in any strike or work stoppage which interrupts or interferes with the operation of the City.

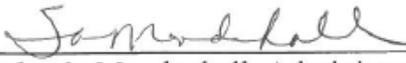
ARTICLE 30 - PREVAILING BENEFITS

Except as provided herein, all wages, hours and other terms and conditions of employment presently enjoyed by employees in the unit shall remain in full force and effect during the term of this M.O.U., unless mutually agreed to by both parties.

ARTICLE 31 - SAVINGS CLAUSE

Should any provision of this agreement or the application of such provision be rendered or declared invalid by any court action or by reason of any existing or subsequently enacted legislation, the City and Association shall meet and confer immediately upon what constitutes an equivalent benefit to that which was determined to be unlawful. Such equivalent benefit will be implemented retroactive to the date the old benefit ceased. The remaining parts or portions of the Agreement shall remain in full force and effect.

CITY OF UPLAND


Stephanie Mendenhall, Administrative Services Director

2/13/13
Date


Tanya Bragg, Senior Human Resources Analyst

2/13/13
Date

UPLAND FIRE MANAGEMENT ASSOCIATION


Dave Corbin, Fire Battalion Chief

2/14/13
Date


Chris Hayes, Fire Battalion Chief

2-12-13
Date