

Memorandum of Understanding

between

CITY OF HAYWARD

and

HAYWARD POLICE OFFICERS' ASSOCIATION

July 1, 2004 through June 30, 2008

Extended through June 30, 2015

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SUMMARY OF PROVISIONS

This summarizes the provisions changed in the Memorandum of Understanding with Hayward Police Officers' Association, covering the period July 1, 2004 through June 30, 2008.

1. Salaries

July 1, 2004:	No increase
July 1, 2005:	No increase
July 1, 2006:	Increase based on 100% of result of Salary Survey to a maximum increase of 4%.
July 1, 2007:	Increase based on 100% of result of Salary Survey.

2. Sick Leave Payoffs

Effective July 1, 2004, and continuing through the term of the Memorandum of Understanding and contingent upon verification that such a sick leave payoff plan satisfies the Internal Revenue Code and applicable Internal Revenue Regulations, allow payoff of unused sick leave to be designated by employee for payment of allowable retiree medical expenses.

Effective July 1, 2006, rate of payoff to be determined based on percentage of leave balance in relation to a maximum accrual, as follows:

0 to 25%:	No payoff
26% to 75%:	1% per each full year of service
76% or more:	1.25% per each full year of service

Effective July 1, 2006, to the extent allowed by state or federal law, or regulations, if the payoff is designated by the employee for payment of allowable retiree medical expense, the percentage rate of payoff shall be 1.5%.

3. Overtime Compensation

Effective July 1, 2006, maximum accrual of comp time to be increased from 160 hours to 240 hours.

Effective July 1, 2007, maximum accrual of comp time to be increased from 240 hours to 320 hours.

4. Maintenance of Benefits

The City shall continue all benefit and retirement payments throughout the term of the Memorandum of Understanding.

Non-Economic Terms

1. Effective July 1, 2004, a ten-year vesting period is established for retiree medical eligibility, excluding industrial disability retirements.
2. General Order on Promotion Processes added to the MOU by reference, including requirement to consult with HPOA on any proposed changes.
3. General Order on patrol staffing to be revised to reflect nine-beat structure, with the understanding that such revision is not intended to create a new obligation to increase patrol positions from a budget perspective.
4. One or more Working Groups consisting of City and HPOA representatives to address the following issues; tasks to be completed by January 1, 2005.
 - A. Qualifications for Sergeant, Lieutenant, and Inspector relative to required education, training and experience. The Chief of Police will consult with such Working Group(s) relative to the development of the qualifications for Police Captain; it is understood that HPOA does not represent the classification of Police Captain.
 - B. Career paths for classifications listed in 4A above, with similar provision relative to Police Captain classification.
 - C. Standard Evaluation Guidelines
 - D. Maintenance of and replacement schedules for police vehicles.
5. With regard to recruitment for the Police Captain classification, although not represented by HPOA, the City Manager will consult with HPOA prior to determining whether it will be a closed-promotional or open competitive recruitment. Final decision to await appointment of new Chief of Police; recruitment process decision to occur by January 1, 2005.
6. Regarding retiree medical plan premiums, if the rate of increase in the Kaiser North single-party rate during the term of this Memorandum of Understanding exceeds 10% per year, the parties will meet and confer relative to an appropriate rate. Such meet and confer to occur in the context of negotiations for a successor Memorandum of Understanding.
7. The Side Letter dated June 30, 2000 titled "Reimbursement for On Duty Equipment" is rescinded.
8. The Memorandum of Understanding will be updated to reflect current practices and to delete obsolete language and Side Letters.

Memorandum of Understanding

Between

City of Hayward

and

Hayward Police Officers' Association

On the date hereinafter subscribed, authorized representatives of the City of Hayward, herein called "City" and authorized representatives of the Hayward Police Officers' Association, herein called the "Association" made and entered into this Memorandum of Understanding. It is understood and agreed that this Memorandum of Understanding supersedes and replaces that Memorandum of Understanding made and entered into July 1, 2001, by and between the City of Hayward and the Hayward Police Officers' Association.

This Memorandum of Understanding is subject to all existing state laws and the Charter, ordinances, resolutions, Administrative Rules and Personnel Rules of the City except as expressly provided to the contrary by this Memorandum of Understanding.

1.00 RECOGNITION

The City recognizes the Association as the majority representative for the unit of employees consisting of the following classifications:

Inspector

Police Lieutenant

Police Officer

Police Sergeant

2.00 PROBATIONARY PERIOD

2.01 Appointments Subject to Probationary Period

All appointments to positions in the representation unit shall be subject to a probationary period. The regular period of probation shall be two years for the classification of Police Officer and one year for all other classifications in the unit. Extension of probationary periods up to a maximum of six months may be approved by the City Manager in individual cases.

An employee promoted to a higher position who, at the time of promotion is serving in such position in an acting or provisional status, may have all or a portion of the time continuously served in acting or provisional status credited towards satisfaction of the probationary period for the position. Credit allowed for this purpose, if any, shall be at the sole discretion of the Chief of Police, and shall not affect the employee's effective date of regular status in the promoted position as provided in Section 2.04 of this Memorandum of Understanding.

2.02 Release of Probationer

The Department Head shall recommend retention or rejection of the probationer prior to the expiration of the probationary period. During the probationary period an employee may be released at any time without right of appeal. Written notice of release designating the effective date of such action shall be furnished the probationer.

2.03 Release Following Promotion

Any employee released during the probationary period following promotion shall be reinstated at the former salary step to his/her former position or a position in the class from which he/she was promoted unless the reason for his/her release is cause for dismissal. If no vacancy exists in this class, the employee with the least amount of time in this class shall be demoted to the most recent class in which he/she has satisfactorily served. If any employee is caused to be released by such action he/she shall be placed on a reemployment register for the classification from which he/she was released. Any employee who is released during a probationary period following promotion shall retain appeal rights to dismissal from the City but not the right to appeal his/her release from the position from which demoted.

2.04 Effective Date of Regular Status

Upon successful completion of a probationary period, an employee's effective date of regular status in a classification shall be the date upon which he or she was appointed to the classification in probationary status.

In the event two or more employees in the classification of Police Officer have the same effective date of regular status, relative seniority shall be determined first by rank position on the eligibility list for Police Officer, next by date of probationary appointment to a classification outside of the representation unit and next by lot until all seniority "ties" are resolved.

In the event two or more employees in a classification other than Police Officer have the same effective date of regular status, relative seniority shall be determined first by rank position on the eligibility list for the classification involved, next by date of probationary appointment to another classification within the representation unit, next by date of probationary appointment to a classification outside of the representation unit and next by lot until all seniority "ties" are resolved.

2.05 Compensation and Benefits Upon Reinstatement

Employees reinstated pursuant to the provisions of the City of Hayward Personnel Rules shall be re-employed in regular status and shall not be required to serve a probationary period. Reinstatement shall not entitle the employee to resume special assignments or positions held at the time of resignation. The effective date of employment with the city and in the classification shall be the date of reinstatement. The names of employees so reinstated shall not be restored to unexpired eligible registers for promotions. Participation in all other

benefit programs and programs providing special compensation and/or allowances shall be the same as for new employees.

Employees who are reinstated within one year from the date of resignation shall be entitled to be returned to the salary step previously held at the time of resignation. Time in step accumulation, if applicable, shall also be restored. Employees who are reinstated between one and two years from the date of resignation shall be entitled to be returned to not less than third step; when merited for exemplary performance of duties and when recommended by the department head and approved by the City Manager, such employees may subsequently be advanced without regard to time-in-step.

Reinstated employees shall be allowed immediate participation in the police education incentive program providing they meet all other conditions of Departmental Procedure 3-304 but shall not be allowed credit for any prior service with the City of Hayward in satisfaction of the ten (10) year longevity requirement contained in Section IV(c)(6) of said rule.

3.00 LAYOFFS AND RESIGNATIONS

3.01 Layoffs

Whenever there is a lack of work or lack of funds requiring reductions in a department or division of the City Government, the required reduction shall be made in such job class or classes as the department head may designate, provided that employees shall be laid off in the inverse order of their relative length and quality of service, as determined by rules governing the evaluation of service. Within each affected job class, all provisional employees shall be laid off before probationary employees, and all probationary employees shall be laid off before any regular employees.

Layoff to the next lower class is authorized provided that the employee to be laid off has previously served in said lower class and whose original date of appointment to that class predates at least one employee presently serving therein. Employees demoted in lieu of layoff shall be placed on a reemployment register for a period of four years for the classification held at the time the layoff occurred. Employees laid off shall be placed on a reemployment register for the period of two years for the classification held at time of layoff.

3.02 Resignations

Any employee wishing to leave the employ of the City in good standing shall file with the department head at least two (2) weeks before leaving the service, a written resignation stating the effective date and reasons for leaving. The resignation shall be forwarded to the City Manager through the Human Resources Director with a statement by the department head as to the resigned employee's service performance. Failure of the employee to submit a written resignation as provided herein shall be entered on the service record of the employee and may be cause for denying future employment by the City.

4.00 WORK SCHEDULES - OVERTIME

4.01 Workweek

Employees shall be on duty for forty (40) hours during each seven-day work period, as provided in the following sections.

4.02 Hours of Work, all except Patrol and Traffic

The work shift for employees shall be (10) ten hours except as otherwise provided herein.

Employees shall work four consecutive days, except as otherwise provided herein.

Employees restricted to light duty may be assigned to eight(8), ten (10), or twelve and a half (12.5) hour shifts.

School Resources Officers shall work Monday through Friday, with approximately one-third of them having Monday off, one-third of them having Tuesday off, and one third having Friday off.

When the Hayward Unified School District's high schools are not in session, School Resource Officers shall work four consecutive days.

The days-off configuration for School Resource Officers is intended to address the specific and special needs for deployment to the schools. Therefore, the variation of days off, including split days off, as specified herein, is limited to the position of School Resource Officer and shall not affect the configuration of the workweek or days off of any other position in the police department.

Employees assigned to the Personnel, Planning and Training Bureau and the Office of Ethical Standards shall work either Monday through Thursday or Tuesday through Friday.

The Lieutenant of Inspectors shall work either Monday through Thursday or Tuesday through Friday.

Approximately one-half of the Inspectors, Sergeants assigned to the Inspectors' Bureau and Officers assigned to the Inspectors' Bureau as detectives shall work Monday through Thursday and approximately one-half shall work Tuesday through Friday. Days off for these employees may rotate every three months.

Approximately one-half of the Officers assigned as Child Abuse Detectives or Domestic Violence Detectives shall work Monday through Thursday and approximately one-half shall work Tuesday through Friday. Days off for these employees may rotate every three months.

4.03 Hours of Work, Patrol Division

The basic work schedule for employees assigned to the Patrol Division shall be three 12.5 hour workdays per week, plus nine 10 hour makeup days per year.

Basic patrol shifts and the number of positions assigned to each shift and squad shall be set by the Chief of Police, subject to the terms and provisions of this Agreement.

The basic work hours for patrol shifts are:

Day shift: 0600-1830

Overlap (swing) shift: 1330-0200

Night shift 1800-0630

The basic work days for patrol shifts are:

Day shift: A – Wednesday, Thursday, Friday

B – Monday, Saturday, Sunday

Overlap shift A – Monday, Tuesday, Sunday

B – Thursday, Friday, Saturday

Night shift A – Monday, Tuesday, Wednesday

B - Friday, Saturday, Sunday

Relief shift: Tuesday – Day shift

Wednesday – Overlap shift

Thursday – Night shift

Employees assigned to the day, overlap and night shifts shall change workdays in the middle of each six month bid period so that those members working the "A" side will change to the "B" side and those members working the "B" side will change to the "A" side. Employees working the relief shift do not change workdays.

Employees assigned to this schedule shall be required to make-up nine 10 hour work days each calendar year. Make-up days may be used for training or special projects as determined by the Chief of Police. The makeup day shall be scheduled so that it coincides with the employee's workweek, meaning that it shall immediately follow the last workday or immediately precede the first work day of the employee's normally scheduled work week, but shall not be on a Saturday, Sunday or holiday.

A detailed calendar of scheduled makeup days shall be prepared by the department not later than December 1 of each preceding year showing the schedule of makeup days for each shift for the following calendar year.

Employees shall be paid for 40 hours work at the straight time rate for each payroll week even though the employee is only scheduled to work 37.5 hours. Employees shall receive no additional compensation for attending the 10 hour makeup days as these are specifically designed to repay the City for the compensation advanced to the employees working this schedule. The City agrees that it is responsible for keeping an accurate accounting of all hours worked to ensure that employees are compensated and scheduled for makeup days as necessary to carry out the objectives of this schedule.

Employees assigned to this schedule will be compensated for holidays at the rate of 10 hours of holiday pay for each holiday. The compensation shall be paid in

the pay period in which the designated holiday occurs. Compensation for employees shall be provided for each holiday worked and for each holiday which falls on a regularly scheduled day off. If however, an employee is absent from work in a paid leave status where a designated holiday occurs, the employee shall receive 10 hours of holiday pay but will be required to utilize 2.5 hours of either vacation leave or compensatory time off in order to receive the normal rate of compensation he/she would otherwise be paid for that day.

Employees absent from work shall have an hour-for-hour deduction made to their leave banks as appropriate to the type of leave being taken by the employee. Thus, on 12.5 days, 12.5 hours shall be deducted. On 10 hour makeup days, 10 hours shall be deducted, unless the employee makes advance arrangements to otherwise makeup the 10 hours. Approval of special arrangements for makeup workdays shall be at the discretion of the Chief of Police.

All work performed in excess of regularly scheduled work hours, whether before or after a shift, or on an employee's days off shall be considered overtime and shall be compensated as overtime.

Patrol Division lieutenants, sergeants, and officers available for solo patrol may bid for their assignment based on seniority. For the purpose of bidding, seniority shall be based upon continuous length of service in the classification of police officer, police sergeant and/or police lieutenant with the City of Hayward. The term of the bid shall be for a period not to exceed two years, generally consisting of six month increments.

On each shift the officers shall be allowed to bid by seniority for each position until the number of positions remaining on a given shift equals the number of positions to be assigned for that shift.

The Chief of Police may assign up to 14 officers who are on probation and/or with the least seniority to patrol squads as follows:

Day shift A squad:	2 officers
Day shift B squad:	2 officers
Overlap shift A squad:	2 officers
Overlap shift B squad:	2 officers
Night shift A squad:	3 officers
Night shift B squad:	3 officers

Within the above group, officers on probation may be subject to assignment/reassignment of their shift, days off, and work areas when it is determined by management that exposure to varying shifts and areas is necessary to their overall development. In such cases, at least 30 days notice shall be give to such probationary officer who is assigned or reassigned.

Staffing minimums shall be accomplished on a shift basis rather than by time of day. Refer to Departmental Order 2-401 and Section 17.11 of this Agreement.

When staffing shortages or other needs of the department require a change in shift and/or days off, such change shall be accomplished by the use of volunteer officers. In the event there are not volunteers to accomplish the change, the

change shall be accomplished by the use of inverse seniority. In such cases, at least 30 days notice shall be give to such officer who is reassigned.

4.04 Hours of Work, Traffic Bureau

The basic work schedule for employees assigned to the Traffic Bureau shall be three 12.5 hour workdays per week, plus nine 10 hour makeup days per year.

The basic work hours for traffic shifts are:

Day shift: 0600-1830

Overlap (swing) shift: 1330-0200

The basic work days for traffic shifts are:

Day shift: A – Monday, Tuesday, Wednesday

B – Thursday, Friday, Saturday

Overlap shift: A – Monday, Tuesday, Wednesday

B – Thursday, Friday, Saturday

Employees shall change workdays in the middle of each six month bid period so that those members working the "A" side will change to the "B" side and those members working the "B" side will change to the "A" side.

Employees assigned to this schedule shall be required to makeup nine 10 hour work days each calendar year. Makeup days may be used for training or special projects as determined by the Chief of Police. The makeup day shall be schedule so that it coincides with the employee's workweek, meaning that it shall immediately follow the last workday or immediately precede the first work day of the employee's normally scheduled workweek but shall not be on a Saturday, Sunday or holiday.

A detailed calendar of scheduled makeup days shall be prepared by the department not later than December 1 of each preceding year showing the schedule of makeup days for each shift for the following calendar year.

Employees shall be paid for 40 hours work at the straight time rate for each payroll week even though the employee is only scheduled to work 37.5 hours. Employees shall receive no additional compensation for attending the 10 hour makeup days as these are specifically designed to repay the City for compensation advanced to the employees working this schedule. The City agrees that it is responsible for keeping an accurate accounting of all hours worked to ensure that employees are compensated and scheduled for makeup days as necessary to carryout the objectives of this schedule.

Employees assigned to this schedule will be compensated for holidays at the rate of 10 hours of holiday pay for each holiday. The compensation shall be paid in the pay period in which the designated holiday occurs. Compensation for employees shall be provided for each holiday worked and for each holiday which falls on a regularly scheduled day off. If, however, an employee is absent from work in a paid leave status where a designated holiday occurs, the employee shall receive 10 hours of holiday pay, but will be required to utilize 2.5 hours of either vacation leave or compensatory time off in order to receive the normal rate of compensation he/she would otherwise be paid for that day.

Employees absent from work shall have an hour-for-hour deduction made to their leave banks as appropriate to the type of leave being taken by the employee. Thus, on 12.5 days, 12.5 hours shall be deducted. On 10 hour makeup days, 10 hours shall be deducted, unless the employee makes advance arrangements to otherwise makeup the 10 hours. Approval of special arrangements for makeup workdays shall be at the discretion of the Chief of Police.

All worked performed in excess of regularly scheduled work hours, whether before or after a shift, or on an employee's days off shall be considered overtime and shall be compensated as overtime.

The sergeant assigned to the Traffic Bureau and the officer assigned as the Report Review Officer may be required to work four 10 hours days at the discretion of the Chief of Police.

Employees assigned to the Traffic Bureau to fill grant funded positions may be required to work four 10 hour days at the discretion of the Chief of Police.

Traffic Bureau employees assigned to 10 hour days shall work four consecutive days and shall not be required to attend makeup days.

Traffic Bureau employees assigned to 10 hour days shall not be subject to any of the portions of this section which are by their nature only relevant to employees working the three 12.5 hour workday schedule.

4.05 Overtime

Overtime shall be approved in advance by the Chief of Police or his or her designated representative(s). The Chief of Police may specify those occasions where prior approval for overtime work is not required. The Chief of Police shall promulgate any additional regulations required for the administration and control of overtime.

Overtime work, other than Court Appearance Time, is defined as follows:

- A. For employees on a 4-10 work schedule, after ten hours of work have been performed on an employee's regularly scheduled work shift, all additional hours worked shall be classed as overtime. For employees on a 5-8 work schedule, after eight hours of work have been performed on the employee's regularly scheduled work shift, all additional hours worked shall be classed as overtime. As an exception to the foregoing, an employee who has completed a regular shift and has been released for the day, and who is then called back to work for the performance of duty assignments shall be in an overtime status for all hours worked. A four hour minimum guarantee shall apply in such cases. This minimum shall not apply in those instances where the overtime worked is contiguous to the employee's regular hours of work.

The aforesaid four (4) hour minimum overtime guarantee shall apply to employees who are called in to attend meetings.

- B. In the event an employee works all hours in a scheduled shift, work performed in advance of and contiguous to the employee's scheduled shift shall be classed as overtime. Such time shall not be subject to the four hour minimum guarantee.

- C. Any work performed by employees on regularly scheduled days off or during a scheduled vacation shall be classed as overtime. For the purpose of this section the use of accrued compensatory time shall not be considered a "regularly scheduled day off."

4.06 Overtime Compensation

Employees shall be compensated at an overtime rate of one and one-half (1½) times the employee's regular straight time hourly rate in effect at the time the overtime is worked. An employee, within his or her sole discretion, may accrue not more than one-hundred sixty (160) hours of compensatory time off in lieu of overtime pay. Effective July 1, 2006, an employee within his or her sole discretion, may accrue not more than two-hundred forty (240) hours of compensatory time off in lieu of overtime pay. Effective July 1, 2007 an employee within his or her sole discretion, may accrue not more than three-hundred twenty (320) hours of compensatory time off in lieu of overtime pay. Accrued compensatory time shall be used when requested by the employee and approved by the department head or when scheduled by the department, provided 24 hours notice is given to the employee concerned or shall be paid for in cash at the time of separation.

The City shall compensate employees by pay for all other overtime subject only to the availability of such funds. An amount of money shall be budgeted in order to pay for overtime, and such amount shall be based upon previous experience in the use of overtime work in the department. Work required to be performed in excess of an employee's regular work day or work week by reason of change in shift assignment shall be compensated at straight time rates.

All overtime shall be compensated to the nearest fifteen (15) minute interval. Compensation shall commence upon arrival of the employee at the assigned duty station. In the event of a call-back situation as defined in Section 4.05 A, overtime compensation shall commence upon the employee's personal receipt of notification to return to work. In no event shall more than thirty (30) minutes overtime compensation be paid from time of notification to the time the employee reports to work.

Under no circumstances shall overtime compensation exceed one and one-half (1½) times the employee's regular rate of pay as provided in paragraph 1 above. In the event two (2) or more authorized overtime assignments overlap and the job duties for each assignment are compensable at different hourly rates, the highest hourly rate shall apply to all overlapping hours.

4.07 Court Appearance Time

Employees who are subpoenaed to appear in court on a regularly scheduled day off shall receive a minimum of four (4) hours pay at the overtime rate for an actual appearance in court, or four (4) hours pay at the straight time rate if cancellation occurs on the scheduled day of appearance.

Employees who are subpoenaed to appear in court during off duty hours on a scheduled work day shall receive a minimum of four (4) hours' pay at the overtime rate for an actual appearance in court, or four (4) hours pay at the straight time rate if cancellation occurs on the scheduled day of appearance.

This minimum guarantee shall not apply to those hours which are part of an employee's regularly scheduled work shift.

Court overtime shall commence at the time of appearance. In the event it is necessary to obtain evidence immediately prior to the actual court appearance, up to thirty minutes of overtime may be authorized immediately prior to the specified court appearance time. Court overtime shall also include the actual time necessary to travel to the designated court location from the Hayward Police Department or from the employee's residence, whichever is closer. Any overtime necessary to obtain evidence and/or travel to the designated court location shall be counted towards satisfying the minimum guaranteed overtime compensation.

No more than two guaranteed minimums shall be paid in any one day. In the event two or more court appearance times are contiguous or overlap, only one minimum guarantee shall apply. Should an actual appearance be required on a case, and the employee is not released in sufficient time to appear for subsequently scheduled cases, the subsequent cases shall not be subject to the minimum guarantee. Guaranteed minimums shall apply only one time per case per day unless a subpoena is issued for the same case at the behest of another criminal justice authority for a different time of day, and provided that it is neither contiguous to or overlaps the compensable time period of the first subpoena.

In order to qualify for minimum guarantees at the time-and-one-half rate, employees must physically respond to the designated court location and must remain there until released by competent authority. In lieu of physically responding to a court location, employees may call to learn if an appearance will actually be required. If this is not known at the time of initial contact the employee may make arrangements with competent authority to call or be called at a later time to learn about appearance requirements. Once having made these arrangements an employee will be entitled to minimum court guarantees at the time-and-one-half rate only in the event an appearance is actually required by competent authority.

Such guarantees shall commence upon arrival at the designated court location; the time interval between the originally specified appearance and the actual time of appearance shall not be compensable. The Chief of Police shall promulgate whatever additional regulations may be necessary in order to ensure that employees are available for court appearances as required.

4.08 Attendance Records

Employees shall be in attendance at work in accordance with rules regarding hours of work, holidays, and leaves. The department shall keep daily attendance records of employees.

Employees who are unable to report to work for any reason shall notify a supervisor or watch commander at least one hour prior to their scheduled starting time. The Department Head may waive this requirement upon presentation of a reasonable excuse by the employee.

5.00 MEET AND CONFER-TIME OFF FOR REPRESENTATIVES

5.01 Representatives

The Association shall designate not more than three (3) employees as accredited representatives of the Association who shall have authority to act for and bind the Association in matters pertaining to the administration of this Memorandum of Understanding.

5.02 Permission to Leave Assignments

Employee representatives shall not leave the duty or work station or assignment without specific approval of the department head.

5.03 Time Off for Representatives

The City shall allow a reasonable number of employee representatives (not less than two (2) employees) of the Association reasonable time off during regular work hours without loss of compensation or other benefits when formally meeting and conferring with representatives of the City on matters within the scope of representation.

6.00 BENEFIT PLANS

6.01 Medical Insurance

The City shall continue to contract with the Public Employees' Retirement System (PERS) for the purpose of providing medical insurance benefits for active employees, eligible retired employees and eligible survivors of retired employees. Eligibility of retired employees and survivors of retired employees to participate in this program shall be in accordance with regulations promulgated by PERS.

For employees retiring on or after July 1, 2004, eligibility for retiree medical plan contributions is limited to employees who have completed ten years of service or more with the City of Hayward. The vesting provision is not applicable to industrial disability retirements.

Effective July 1, 2004, the City shall contribute up to \$261.64 per month or the Kaiser North single party rate, whichever is greater, for each active employee, each eligible retired employee or the eligible survivor of a retired employee who subscribes for coverage.

In the event PERS requires a minimum employer payment in excess of the amounts recited above, the City shall pay such additional amounts during the term of this Memorandum of Understanding only.

6.02 Dental Plan

The City shall purchase dental insurance coverage for full time employees, other than temporary and provisional employees, and their eligible dependents. The

City's contribution towards the purchase of insurance offered by Delta Dental or a successor plan shall not exceed \$119.04 per employee per month, and the City contribution towards purchase of insurance offered by United Concordia or a successor plan shall not exceed \$56.85 per employee per month except as provided below.

Benefits under the Delta Dental Plan shall include the following: 100 percent payment of diagnostic and preventative services; 80 percent payment for other basic services, and crowns and cast restorations; 70 percent payment for prosthodontics; 50 percent payment for orthodontics (adults and children). Deductibles each calendar year shall be \$25 per person with a maximum of \$75 per family. Maximum benefit payments shall be \$2000 per year for each patient except for orthodontics which shall carry a \$2,000 lifetime maximum benefit per patient.

In the event the premium rate charged by the dental insurance carriers is increased such that it exceeds the maximum contribution amounts listed above, the City shall pay the additional amounts on behalf of employees during the term of this Memorandum of Understanding only.

The City reserves the right to provide dental care benefits under a plan or through a carrier of its choice. Alternate coverage may be provided through a consortium of public agencies or private employers which may be formed for the purpose of providing dental care benefits for employees or through a program of self-insurance. In the event the City exercises this option the alternate coverage shall be substantially equivalent to the coverage in effect at such time as a change in carriers takes effect.

6.03 Federal or State Health Plan

If, pursuant to any federal or state law which may become effective subsequent to the effective date of this Memorandum of Understanding, the City is required to pay contributions or taxes for hospital-medical, dental care, prescription drug or other health benefits to be provided employees under such federal or state Act, the City's obligation to furnish the same benefits under the Medical and Dental Plans shall be suspended and the contributions agreed to be paid monthly hereunder by the City under Sections 6.01, 6.02, 6.04 and 6.06 of this Memorandum of Understanding shall be reduced each month by the amounts which the City is required to expend during any such month in the form of contributions or taxes to support said federal or state health plan.

If, as a result of such a law, the level of benefits provided by such law for any group of employees, or their dependents, is lower in certain categories of services than that provided under Sections 6.01, 6.02, 6.04 and 6.06 the City shall, to the extent practicable, provide a plan of benefits supplementary to the federal or state benefits so as to make benefits in each category of coverage as nearly comparable as possible to the benefits provided under said Sections 6.01, 6.02, 6.04 and 6.06. The City need only expend for this purpose the actual amount required to achieve parity between the benefits agreed to be provided under Sections 6.01, 6.02, 6.04 and 6.06 and the benefits provided under any federal or state plan as supplemented in the manner hereinabove described.

If the benefits provided under the federal or state Act exceed the benefits provided hereunder in each category of coverage, the City shall be under no further obligation to make any contribution in pursuance of this Section.

In the event that the federal or state government enacts a health care program requiring contributions by employees, such employee contributions shall be reimbursed by the City to the amount by which said employee contribution reduces the City contribution required under this Section of the Memorandum of Understanding.

6.04 Flexible Benefits Plan

The City shall maintain a Flexible Benefits Account for each full-time employee in regular or probationary status who is enrolled in one of the PERS medical insurance plans offered by the City. The City shall make monthly payments to each employee's Flexible Benefit Account in accordance with the following schedule:

Employee Only	\$ None
Employee & One Dependent	\$ 34.00
Employee & Two + Dependents	\$ 99.00

For the purpose of this section, a dependent is defined as a person who satisfies the definition of dependent in the PERS medical insurance plan in which the employee is enrolled. Such dependents must also be enrolled in and covered by the plan.

In the event the above listed amounts plus the City payment towards medical insurance premiums specified in Section 6.01 of this Memorandum of Understanding are insufficient to pay 100% of the premiums required of employees enrolled in a Public Employees' Retirement System (PERS) medical insurance plan, the City shall make such supplemental payment as may be required to avoid any premium payments from employees in excess of the total of employees' Flexible Benefit Account and the City payment for medical insurance specified in Section 6.01. Such supplemental payments shall be paid for the remaining term of the Memorandum of Understanding only.

The monies in an employee's Flexible Benefits Account shall be used for one or more of the following purposes only: (a) payment of premium charges for the PERS medical insurance program in which the employee is enrolled, (b) payment of premiums for the purchase of group term life insurance and/or long term disability insurance, (c) payments on the employee's behalf to the City of Hayward Deferred Compensation Program. For employees who elect to purchase life insurance or long term disability insurance, the City shall forward a lump sum each month to the Secretary of the Hayward Police Officers' Association for the payment of premiums.

The City will not treat these monies under the Flexible Benefits plan as compensation subject to income tax withholding unless the Internal Revenue Service or the Franchise Tax Board indicates that such contributions are taxable income subject to withholding. Each employee shall be solely and personally responsible for any federal, state or local tax liability of the employee that may

arise out of the implementation of this section or any penalty that may be imposed therefore.

Each employee shall notify the Director of Finance in writing during the PERS open enrollment period each year as to how the moneys in his or her Flexible Benefits Account are to be expended during the ensuing twelve month period. Thereafter, no changes to designations so made shall be allowed until the open enrollment period of the following year except for bona fide hardship conditions which shall be reviewed and determined by a committee consisting of the Director of Finance and the Human Resources Director (or their designees), and two persons designated by the Association who are members of the representation unit. A simple majority vote of the committee shall be required in order for a change in flexible benefit designation to occur, and the deliberations and actions of the committee shall not be subject to the grievance procedure in this Memorandum of Understanding.

Each employee shall be responsible for providing immediate written notification to the Human Resources Director of any change to the number of his or her dependents which affects the amount of the City's payment to the Flexible Benefits Account and/or direct payments made by the City for the payment of medical insurance premiums. An employee who, by reason of failing to report a change in dependents, receives a City payment greater than the amount to which entitled shall be liable for refunding the excess amounts received via a reduction in the amount paid to his or her Flexible Benefits Account. Changes to flexible benefit payments required because of a change in an employee's number of dependents shall take effect at the start of the first pay period in the month next following the month in which advice from the employee is received by the Human Resources Director. No retroactive increases to the City's payments shall be allowed.

6.05 Alternate Benefits

Employees shall be allowed an opportunity to select certain options as alternatives to those benefits listed in Section 6.01 of this Memorandum of Understanding.

- A. Eligibility. Eligibility for receipt of alternative benefits is restricted to those employees for whom no City contribution is made towards premiums for group medical insurance.
- B. City Contribution. The City shall contribute \$75 per month for alternate benefits for those employees who would otherwise be eligible for "single-party" coverage under any one of the group medical insurance plans currently in effect, and \$125 per month for employees otherwise eligible for "two-party" coverage or greater because of dependents who would also be eligible for coverage under said plans. For the purpose of this Section eligible dependents are defined as: an eligible dependent as defined by the PERS medical plan.
- C. Available Benefits. Contributions made by the City may be applied by the employee to one or both of the following options:
 - 1. Purchase of past service credit with the Public Employees' Retirement System (PERS). The monthly amount of such contribution shall not

exceed the monthly amount of benefit to which the employee is entitled by reason of participation in this program.

2. Contribution to the Deferred Compensation Plan currently in effect for City employees. The amount contributed must be uniform in each pay period and shall not exceed in any one month the monthly amount of benefit to which the employee is entitled by reason of participation in this program.

D. Enrollment Procedures.

1. Initial Enrollment. Employees must apply to the Human Resources Director and specify (i) the number of dependents who would otherwise be eligible (as defined in Paragraph B above) to be covered under a City medical insurance plan and, (ii) the alternative benefit(s), to be selected and the amount of available City contribution to be applied thereto.

The effective date of participation shall be the first day of the first payroll period which occurs after thirty (30) days from the date application is received in the Human Resources Department.

2. Changes in Enrollment. Employees may elect to withdraw and resume medical insurance coverage available from the City, or request modification of their original selection of alternative benefit(s), provided that the change is the result of a family status change.

In addition to the foregoing, changes in enrollment status will be allowed as required upon a change in the number of an employee's dependents, provided such change has an effect upon his or her participation in the program. An employee who experiences an increase in eligible dependents, and who is already enrolled in the program, may apply for a corresponding increase in benefit amounts contributed by the City. An employee who experiences a decrease in eligible dependents shall be required to report same to the Human Resources Department, and a corresponding reduction in benefit amounts contributed by the City shall be made after consultation with the employee. All such adjustments in benefit amounts shall take effect on the first day of the payroll period next occurring after thirty days from the time a change in dependent status is reported by the employee.

The City Manager may, in individual cases, grant exceptions to the enrollment procedures recited above because of unforeseen circumstances which may result in hardship to an employee.

6.06 Vision Care

The City shall purchase vision care insurance for employees and their eligible dependents. The plan shall require a \$10.00 deductible, and shall provide for an eye examination and lenses once per year and frames once every two years.

The City's contribution towards the purchase of this insurance shall not exceed \$17.47 per employee per month except as provided below. In the event the premium rate charged by the vision care insurance carrier is increased such that it exceeds the maximum contribution amount listed above, the City shall pay the additional amount on behalf of employees for the remaining term of this Memorandum of Understanding only.

The City reserves the right to provide vision care benefits under a plan or through a carrier of its choice. Alternate coverage may be provided through a consortium of public agencies or private employers which may be formed for the purpose of providing vision care benefits for employees, or through a program of self insurance. In the event the City exercises this option the alternate coverage shall be substantially equivalent to the coverage in effect on July 1, 2004.

6.07 Retirement Plan

The City shall contract with the PERS to provide the 3% @ 50 retirement benefit formula.

7.00 SALARY ADMINISTRATION

7.01 Salary Administration Policy

The policy governing preparation of a compensation plan shall be that of salary standardization, or like pay for like work.

7.02 Salary at Time of Employment

The plan may provide a flat salary rate or a salary range for each classification with a minimum, maximum, and one or more intermediate steps. The beginning or normal hiring rate shall usually be at the first step of the range. Every new employee shall be paid the first step on employment except that the City Manager or other appointing authority may authorize employment at a higher step if the labor supply is restricted or the person to be hired is unusually well qualified.

7.03 Eligibility for Advancement in Pay

Employees may be advanced to higher steps as merited by progressive improvement in job skills and work performance. The following time-in-step requirements shall apply before an employee gains eligibility for advancement in pay.

Step	Time-in-Step
A	6 months
B	6 months
C	1 year
D	1 1/2 years
E	--

If warranted for the good of the service or when an employee demonstrates outstanding capacity in performing his or her duties, employee may be advanced prior to completion of the above time-in-step requirements. When a pay range consists of less than five steps the range shall be established at the higher steps within the above time schedule. In determining time-in-step, it shall begin on the first five days of the period, otherwise time shall begin on the first day of the next payroll period. Advancement in pay, when approved, shall be effective at the beginning of the first pay period immediately following completion of the time-in-

step requirements outlined above. If an employee is on leave without pay for more than one month, the period shall be deducted from the accumulated time-in-step.

7.04 Attaining Advancement

An employee must demonstrate that advancement is merited on the basis of job performance. Advancements shall not be made solely because employees are eligible according to time-in-step requirements. Good attitude and personal conduct, work accomplished, conscientious attendance, safety alertness, efforts at self-improvement, and other factors of individual achievement must be evident as appropriate to the position. The Department Head shall be notified by the Human Resources Director of an employee's approaching eligibility for step advancements.

7.05 Use of Performance Ratings in Determining Whether Step Advancement is Merited

Performance ratings shall guide supervisors and department heads in determining whether step advancements have been earned and should be recommended to the City Manager.

7.06 Withholding Step Advancements

The Department Head has the authority and responsibility to recommend withholding step advancements by the City Manager if they are not merited. The Department Head shall keep employees informed about their job performance, giving good work its proper recognition and any deficient work all possible guidance and assistance toward improvement. The Department Head shall notify the employee as to the reasons for withholding step advancements.

The City and the Association agree that in this Section and in Sections 7.04 and 7.05, merited shall mean being worthy of or deserving of a step increase by exhibiting competent performance.

7.07 Change in Pay Upon Promotion

When employees are promoted, they shall normally receive the first step in the salary range for their new position. However, if such step is equal to or less than their present salary, or they would be eligible for step advancement shortly in their previous position, they may receive the next step in the salary range of the new position which is close to a 5% increase in pay. The City and the Association agree that "close to 5%" shall be interpreted as at least 5% but in no case shall be greater than the fifth step of the salary range for the classification to which promoted. When no advancement in salary is granted on promotion, employees may be allowed to carry forward time-in-step accumulation. Employees promoted to a higher position who, at the time of promotion are serving in such position in an acting or provisional status, shall be entitled to have all time continuously served credited towards time-in-step requirements. In no event shall an employee receive a rate of pay in excess of the maximum rate of the classification to which promoted.

7.08 Change in Pay Upon Demotion

When employees are demoted they shall be placed in a salary step in their new class which is the same as or above the step held prior to demotion providing said demotion is not the result of disciplinary action.

7.09 Change in Pay Upon Reclassification

When a position is reallocated to a classification with a higher pay range, and the incumbent employee retains the position, employee shall normally be placed at the first step in the new range. If no increase in pay results, advancement may be made to the next step immediately above the present salary. When recommended by the department head and approved by the City Manager, additional advancement may be granted. If no change in salary is granted, the employee may be allowed to carry forward time-in-step accumulation.

When a position is reallocated to a classification with a lower salary range, the incumbent employee shall not be reduced in pay while employee continues to occupy the position. If employee's current rate is below the maximum step of the new range employee shall continue at the present salary and carry forward time-in-step accumulation. If the current rate exceeds the maximum step of the new range, employee's salary shall be frozen at its current level. When the incumbent leaves the position, a replacement shall normally be hired at the beginning rate.

7.10 Pay for Employees in an "Acting" Capacity

An employee who is assigned to and performs the duties of a higher level position on an "acting" basis for a continuous period of one week or longer shall receive the salary step of the assigned position which is an increase over the employee's present salary step, or a 5% increase in pay, whichever is the greater. In no event shall an employee receive acting pay at a rate which is in excess of the maximum rate of pay for the classification in which he or she is acting. In the event said acting assignment is to a position in another representation unit, an hourly rate shall be established which, when combined with the City's current payment of employee contributions to the Public Employees' Retirement System (PERS), is equal to the salary step the employee is eligible to receive pursuant to the provisions of this section. Acting pay so provided shall be retroactive to the first day of assignment.

An employee who is receiving acting pay by reason of assignment to a position in the Management Unit or Police Management Unit shall not be entitled to receive overtime compensation during such period of assignment for overtime work involving the performance of duties associated with the acting position. If such employee is required to perform overtime work in the performance of duties related to the regular position, employee shall be entitled to receive overtime compensation based on the rate of pay for his or her regular position for time spent performing such duties.

The Chief of Police shall authorize, on an informal basis only, the use of administrative leave by affected employees, provided that such all other terms and conditions relative to the performance of the acting assignment at a management level are present. Any such informal administrative leave granted by the Chief of Police shall be pro-rated at 1.54 hours per week based upon the

duration of the acting assignment. Any granting of unofficial or informal administrative leave during an acting assignment shall be at the sole discretion of the Chief of Police and subject to review of the City Manager.

Employees who qualify for acting pay shall be compensated at their acting pay salary level during periods of approved leave with pay which occur while they would otherwise be performing the duties of the higher classification in which they are acting but for being on such approved leave with pay. In the event an employee performing such acting assignment is absent from work because of illness or injury, the City may replace said employee with another employee to perform the acting assignment; or, after five (5) consecutive days of such absence, the City may terminate the employee's acting assignment designation and the additional compensation provided therefore.

7.11 Special Assignment Positions

Special assignment positions within a classification may be established where duties and responsibilities are of a specialized nature by comparison to other positions in the class. Said positions may be established by the City Council following a report and recommendation thereon by the City Manager and the Personnel and Affirmative Action Commission. Special assignment positions so established will be reviewed annually by the Personnel and Affirmative Action Commission. Selection of employees to said positions and removal therefrom shall be made by the City Manager upon recommendation of the department head. An employee so assigned shall receive a salary increment not to exceed 5% of his or her present salary.

Special assignment positions within a classification which have been previously established by the Chief of Police to meet operational needs of the department are not subject to the provisions of this section unless those positions have been established by the City Council or are subject to additional compensation as otherwise specified in this Memorandum of Understanding.

7.12 Additional Compensation for Field Training Officers

An employee assigned as a Field Training Officer (FTO) shall receive additional compensation in the amount of two and one-half percent (2 1/2%) above the employee's current salary step for the duration of his or her assignment as an FTO. Selection of employees for FTO assignments, evaluation of employees' performance of FTO duties, and removal of employees from FTO assignments shall be at the sole discretion of the Chief of Police. As an exception to the foregoing, employees who are removed from an FTO assignment by reason of disciplinary action imposed because of misconduct shall be entitled to appeal such removal as provided in Section 13.00 of this Memorandum of Understanding.

7.13 Bi-Lingual Pay

Employees who are required in the performance of their duties to converse with the public in a language other than English, and who have demonstrated their competency in a second language to the satisfaction of the Chief of Police or his/her designee, shall receive bi-lingual pay in the amount of \$30 per pay period.

7.14 Canine Handler Incentive and On-Duty Time

All current and future Hayward Police Officers serving in the special assignment of Canine Handler shall receive 2.5% pay incentive based on their current rate of pay. The incentive will commence when the officer is selected to the assignment and is assigned a police canine. The incentive will continue during the length of time the officer is assigned to the Canine Unit and will terminate when the officer leaves the unit and is no longer responsible for the maintenance of a city owned police canine. The 2.5% incentive pay will not apply to police canines that have been retired from service and sold to handlers as city surplus.

All current and future Hayward Police Officers serving in the special assignment of Canine Handler shall receive two (2) hours of on-duty time per week, during their normal scheduled canine training day, for the purpose of canine maintenance activities. The two hours per week for canine maintenance activity shall commence when the handler is assigned a police canine and will terminate when the handler leaves the Canine Unit. The two hours per week canine maintenance activity will not apply to handlers who leave the unit and purchase a retired police canine as city surplus property.

7.15 Additional Compensation for Investigators assigned standby status.

For the purposes of this section, the following definitions shall apply:

- Detective shall mean a person holding the position of Police Officer who is assigned to work in an investigatory special assignment for a specified period of time.
- Inspector shall mean a person holding the position of Inspector.
- Standby shall mean the express and absolute requirement that an employee be available during specified off-duty hours to receive communication regarding a requirement to return to work and to be fit and able to return to work, if required. It shall not be considered standby when an employee is contacted and required to return to work but have not been required to be available for receipt of such contact.

Standby Schedule

- A total of two Inspectors and/or detectives shall be assigned to be on standby each week.
- Supervisors and managers of the Investigations Division shall make assignments to weeklong standby (one hundred and sixty-eight hour) periods as much in advance as is reasonably possible, based on the operational needs of the Investigations Division.
- Employee-initiated changes to the assignment schedule shall be done with reasonable advance notice to affected persons and management. It

is the responsibility of the initiating employee(s) to notify his/her supervisor or manager of any such changes in a timely manner.

- The parties acknowledge and agree that unforeseen emergencies may occasionally impact scheduling.

Availability:

- Inspectors and/or detectives assigned to standby periods shall be available to respond to any homicide, serious crime, or serious event that occurs during non-work hours of the week to which they are assigned. Standby Inspectors and/or detectives shall ensure their availability by phone, pager, or other means during their assigned standby week.

Additional Compensation:

- Each Inspector and/or detective assigned to be on standby shall be compensated at a flat rate of \$200 per week of assigned standby.
- Notwithstanding the above, if an unforeseen personal emergency or other urgent matter that cannot be rescheduled, precludes an Inspector and/or detective from being available for the remainder of his/her assigned full week of standby duty, he/she shall be compensated at the rate of \$28.75 for each day of completed standby duty. It is the responsibility of such employee to notify his/her supervisor immediately upon determining that he/she cannot complete the weeklong standby duty.
- The additional compensation due for standby duty shall be paid on the first payday following the conclusion of the week for which the standby duties were performed.
- Nothing in this section shall interfere with or supercede the provisions of Section 4.03 or Section 4.04 of this MOU. Employees shall be compensated at the overtime rate for all work performed as a result of being called back to work under the provisions of this section. There shall be no reduction in compensation for overtime actually worked as a result of being on standby, and there shall be no reduction in standby pay when actual overtime is required.

City Vehicle:

- Each of the two standby employees shall be authorized to take home a designated unmarked City vehicle, which is equipped with critical incident investigative materials. The City vehicle shall be used only for official City business in the course of the assigned employees' standby duty, and for travel to and from work.
- Employees operating a City vehicle on standby status shall comply with Administrative Rules 6.1 Assignment and Use of City Vehicles, Auto Availability Allowance and Mileage Reimbursement, and 6.9 Regulations for the Use of City Vehicles in Compliance with the Tax Reform Act of 1984.

8.00 SALARIES

Salaries for classifications in this representation unit shall be enumerated on Appendix A to this Memorandum of Understanding.

8.01 Treatment of Employees' PERS Contribution

Public Employees' Retirement System (PERS) members shall be responsible for payment of the nine percent (9%) employee retirement contribution to PERS for any and all earnings subject to payment of an employee retirement contribution.

The City shall implement Section 414(h)(2) of the Internal Revenue Code and shall designate the employee contribution to PERS as an "Employer Pickup" as defined under the provisions of that code.

The City will not treat these contributions as compensation subject to income tax withholding unless the Internal Revenue Service or the Franchise Tax Board indicates that such contributions are taxable income subject to withholding. Each employee shall be solely and personally responsible for any federal, state, or local tax liability of the employee that may arise out of the implementation of this section or any penalty that may be imposed therefore.

9.00 HOLIDAYS AND HOLIDAY PAY

9.01 Holidays

The City's holiday policy shall provide the following holidays to be observed on the days indicated:

New Years Day (January 1)	Admission Day (September 9)
Martin Luther King Day (3rd Monday in January)	Columbus Day (2nd Monday in October)
Lincoln's Birthday (February 12)	Veterans' Day (November 11)
President's Day (3rd Monday in February)	Thanksgiving Day (4th Thursday in November)
Memorial Day (last Monday in May)	Friday after Thanksgiving Day (Friday following 4th Thurs. in November)
Independence Day (July 4)	
Labor Day (1st Monday in September)	1/2 Christmas Eve Day

(one half the regular shift length
of the employee, Dec. 24)

1/2 New Year's Eve Day
(one half the regular shift length
of the employee, Dec. 31)

Christmas Day
(December 25)

9.02 Payment for Holidays Worked

All work performed on a holiday shall be compensated for by equivalent time off at a later date except as provided below.

Employees shall be compensated with holiday pay in the pay period in which the designated holiday occurs as follows: Employees assigned to a 5/8 shift schedule shall be entitled to 8 hours holiday pay. Employees assigned to a 4/10 shift schedule shall be entitled to 10 hours holiday pay. Compensation shall be provided for each holiday worked and for each holiday which falls on a regularly scheduled day off. If, however, an employee is absent from work in a paid leave status when a designated holiday occurs, that employee shall receive holiday pay on that day in lieu of the paid leave which would otherwise apply.

10.00 VACATIONS

10.01 Use of Vacation Leave

Vacation leave is a right; however, the use of same shall be scheduled by the City, taking into account the desires and seniority of employees and the workload requirements of the department. Employees shall take vacation leave regularly each year and shall be encouraged to take vacation at least a full week at a time. In order to give effect to this policy and to realize the greatest benefit from vacation leave for both employees and the City, limitations shall be placed upon the amount of unused vacation leave an employee is allowed to accumulate.

10.02 Vacation Accrual

Full time vacation accrual schedule:

Years of Service	Per 80 Hr. Period	Hourly Equivalent	Annual
0 to end of 4 yrs.	3.08 hrs.	.0385 hrs.	80 hrs.
5 to end of 9 yrs.	4.62 hrs.	.0578 hrs.	120 hrs.
10 to end of 19 yrs.	6.16 hrs.	.077 hrs.	160 hrs.
20 yrs. & more	7.70 hrs.	.0963 hrs.	200 hrs.

No vacation shall be granted during the first six months of service.

Vacation leave shall continue to be earned during other authorized leaves with pay. When a holiday falls during an employee's absence on vacation leave, it shall not be deducted from employee's accrued leave. Leave time earned but unused at date of termination shall be added to final pay.

No employee shall be allowed to maintain a balance of unused vacation leave in excess of twice his or her yearly allowance. Exceptions may be permitted on approval of the Department Head and the City Manager. In the event the City is unable to schedule an employee for vacation, and as a result the employee accumulates a balance of vacation leave in excess of that provided herein, an exception will be granted by the City. In granting such exceptions, the City Manager may specify a time within which such excess vacation leave must be used. Failure to use such excess vacation leave within the time specified by the City Manager shall cause no additional vacation leave to accrue. It shall be the responsibility of each employee to insure the full use of vacation leave credits received by scheduling the necessary time off each year.

11.00 SICK LEAVE

11.01 Sick Leave Policy

Sick leave shall be allowed in case of actual illness of the employee or in the event of illness on the part of a family member living in the employee's home and requiring care from the employee. Sick leave shall be recommended by the employee's supervisor and approved by the City Manager or a designated representative.

In addition to the foregoing, use of family sick leave may be authorized up to a maximum of six (6) days in the event of serious illness or medical condition necessitating the employee to care for a parent of the employee not living in the employee's home. For purposes of sick leave used to care for a parent not living in the employee's home, a doctor's certification may be required by the Department Head.

11.02 Sick Leave Allowance

All full-time employees other than temporary and provisional employees shall accrue sick leave at the rate 3.7 hours per payroll period. Employees shall earn sick leave credits in accordance with the foregoing schedule from their initial date of employment and shall be entitled to the use of sick leave upon completion of three (3) months of continuous, full-time satisfactory employment. There shall be no limit upon the number of hours of unused sick leave which may be accumulated by an employee.

Sick leave records shall be maintained on an hourly basis. Sick leave shall be taken in periods of no less than one hour. No sick leave shall be earned during leaves of absence without pay. An employee unable to return to work after a further period allowed on sick leave without pay may be retired for disability or separated.

11.03 Sick Leave Notice and Certification

In order to receive compensation while absent on sick leave, employees or someone in their behalf, shall notify the immediate supervisor prior to the time set for reporting to work. Department heads may waive this requirement upon

presentation of a reasonable excuse by the employee. Employees shall file a personal affidavit or physician's certificate with their department head for forwarding to the Human Resources Director, stating cause of absence. After five (5) working days' absence, the appointing authority may require a physician's certificate.

If employees become ill while on vacation, periods of illness may be charged to sick leave upon presentation of a doctor's certificate stating the nature and extent of the illness. In instances where there exists a reasonable suspicion of abuse of sick leave, employees may be directed to file a physician's statement for each illness, regardless of duration, and may also be required to take an examination by a physician designated by the City and to authorize consultation with their own physician concerning their illness. Such employees may also be required to notify their immediate supervisor of their location during absences from the Department. Failure to comply with these requirements may result in disciplinary action. Sick leave shall not be granted for absences caused by intoxication, excessive use of alcoholic beverages or substance abuse. As an exception to the foregoing, sick leave may be authorized for the treatment of alcoholism or substance abuse when such conditions are diagnosed by competent medical authority.

11.04 Sick Leave Records

Sick leave records shall be maintained on a calendar year basis by Payroll. After an absence is approved as sick leave, it shall be deducted from an employee's leave balance. If at time of separation an employee owes the City for unearned sick leave, the actual time shall be deducted from final pay. Upon separation of employees, sick leave balances for which payment has not been made shall be canceled, and shall not be restored if a former employee is reinstated.

11.05 Medical and Dental Appointments

Employees shall whenever possible make appointments for medical, dental, and similar purposes on Saturday or other non-work days. If this is not possible, sick leave may be used for these purposes for a minimum period of one hour and should not exceed four hours except in unusual circumstances.

11.06 Pregnancy and Childbirth

Employees shall be entitled to use sick leave when actually disabled for the performance of work by reason of pregnancy, childbirth or related medical condition.

Female employees experiencing normal pregnancy, childbirth or related medical condition can be considered temporarily disabled for a period of six weeks. Therefore, an employee may use up to 240 hours of earned sick leave without providing physician certifications as to disability. In the event that a disability exceeds six weeks and an employee has sick leave available and wishes to use it, a physician's certificate may be required.

11.07 Payment for Unused Sick Leave

Any full-time employee leaving the employment of the City in good standing after having completed twenty (20) years of continuous service, or upon retirement from the City for service or disability, or upon termination of employment by reason of death, shall receive payment for a portion of that sick leave earned but unused at the time of separation.

The amount of this payment shall be equivalent to one percent (1%) of sick leave earned but unused at the time of separation times the number of whole years of continuous employment times an employee's hourly rate of pay at the time of separation, plus applicable incentive pay adjustments.

Effective July 1, 2006, the amount of payment for unused sick leave shall be based on the accumulated unused sick leave balance at the time of separation, times the employee's hourly rate on the date of separation, times the number of years of continuous service, times the percentage factor from the following table, plus applicable incentive pay adjustments.

- 0% to 25% of maximum eligible sick leave accrual = 0%
- 25.01% to 75% of maximum eligible sick leave accrual = 1%
- 75.01% or more of maximum eligible sick leave accrual = 1.25%

To provide for the occurrence of anomalies in the sick leave usage patterns of employees, when computing the unused sick leave balance used to determine the percentage of payment as specified above, the largest number of hours of sick leave used by the employee in any single calendar year during their continuous employment shall be added to the accumulated unused balance at separation. This figure shall be used solely for determining the percentage of payout. The actual payout shall be based on the accumulated balance of unused sick leave on the date of separation.

To accommodate the differing lengths of workdays based on the various work schedules, adjustments are required in fairly administering this section since all employees accrue sick leave at the same rate and those working shifts of more than 8 hours use sick leave at a rate greater than those assigned to 8-hour days. Appendix "B" which is attached hereto and incorporated herein details the number of hours required to obtain the various sick leave payout percentages based on the employee's work schedule and the number of years of service.

Effective July 1, 2006, and to the extent not prohibited by state or federal laws or regulations, if the employee designates that the payout be designated for deposit in an approved tax-deferred plan for use for future medical expenses, the percentage factors shall be as follows:

- 0% to 25% of maximum eligible sick leave accrual = 0%
- 25.01% to 75% of maximum eligible sick leave accrual = 1%
- 75.01% or more of maximum eligible sick leave accrual = 1.50%

Participation in the Leave Conversion Plan established pursuant to Section 19.01 of this Memorandum of Understanding shall meet the requirements above for designation in an approved tax deferred plan for use for future medical expenses.

For the purpose of this computation, an employee's hourly rate of pay shall be the employee's annual salary divided by 2080 hours.

That portion of an employee's sick leave balance for which payment is not provided shall be canceled, and shall not be restored if said employee is reinstated.

11.08 Catastrophic Injury/Illness Time Bank

Upon approval of the City Manager or a designated representative, a time bank may be established for the benefit of an employee incapacitated by a catastrophic illness or injury. Employees may donate earned vacation time on a voluntary basis to another employee subject to the conditions listed below:

- A. The employee receiving leave contributions must have exhausted all other leave balances available to him or her including earned vacation, earned sick leave and accrued compensatory time.
- B. State and federal income tax on the value of leave donated shall be paid in accordance with pertinent regulations of the Internal Revenue Service and Franchise Tax Board then in effect.
- C. The donation of leave hours shall not be reversible. In the event all hours donated are not used for the catastrophic illness or injury, the balance will remain with the recipient employee.
- D. All hours donated shall be credited to the recipient as sick leave and shall be subject to the provisions in the recipient employee's Memorandum of Understanding or Salaries and Benefits Resolution regarding the use and payment of same.
- E. Donated leave time shall be changed to its cash value and then credited to the recipient in equivalent hours at the recipient's straight time hourly rate of pay.
- F. Donating employees may not reduce their balance of earned vacation below eighty (80) hours by reason of such donations without the approval of the City Manager or a designated representative.

12.00 MISCELLANEOUS LEAVES

12.01 Funeral Leave

All full time employees except temporary and provisional employees shall be granted funeral leave with pay as necessary but not to exceed three (3) work days upon the occasion of the death of a close relative or a domestic partner duly registered with the Human Resources Department as prescribed by Administrative Rule 1.61. When additional time is desired, employees may be allowed to take accumulated vacation leave or compensatory time due off. Close relatives are defined as mother, father, sister, brother, wife, husband, child, grandparent, grandchild, mother-in-law, father-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law, or step parents of the employee. Additional

funeral leave for travel purposes not to exceed five (5) calendar days may be granted by the City Manager when circumstances warrant the same.

Employees may use not more than one day's funeral leave for attending the funeral of a nephew, niece, uncle, or aunt. Upon request of the City the employee shall furnish proof of the relationship to the deceased.

Part-time employees who work a continuous schedule of 20 or more hours per week shall be granted funeral leave with pay as necessary on the same basis as full time employees except that they shall be compensated at the rate of one-half of the funeral leave allowances provided full time employees.

12.02 Jury Leave

An employee summoned to jury duty shall inform his or her supervisor and, if required to serve, may be absent from duty with full pay. Any jury fees received by an employee shall be remitted to the City.

12.03 Military Leave

Military leave shall be granted in accordance with the provisions of State Law except as may be extended by the City Council. All employees entitled to military leave shall give their department head and the City Manager an opportunity, within the limits of military requirements to determine when such leave shall be taken.

12.04 Disability Leave

For employee injury or disability falling within the provisions of the State Workers' Compensation Disability Act, disability compensation at the rate allowed under said Act shall be the basic remuneration during the employees' period of disability. In the case of full-time employees other than temporary and provisional employees, additional compensation equal to the difference between said employees' regular pay and the disability compensation allowance shall be granted for not to exceed one (1) year for any one period of incapacity. In the event a waiting period is required before an employee's disability compensation allowance is payable, his or her regular pay shall be provided during said waiting period.

Employees injured in the line of duty while in a duty status, and who require treatment for said injury shall be compensated as follows:

(A) For employees injured during a regularly assigned shift:

Employees requiring medical treatment shall suffer no loss in pay for any time spent in receiving said treatment during the course of their regularly scheduled shift.

(B) For employees injured while performing overtime work:

Employees requiring medical treatment shall receive overtime pay until they report to the medical facility for treatment provided, however, that if they are required to return to duty upon completion of said medical treatment they shall suffer no loss of pay for the time required for treatment.

- (C) For employees injured while performing departmentally registered physical fitness activities:

Employees suffering verifiable physical injury while exercising in departmentally registered non competitive fitness activities shall be eligible for temporary disability under Labor Code 4850.

Departmental registration of fitness activities shall mean a detailed listing of activities to be engaged in by the employee which the employee has submitted for review and which the Department Head or his or her designee has signed.

In no event shall team or competitive sports events be departmentally registered nor shall an employee receive payments for temporary disability arising out of any team or competitive sports activity nor from any fitness activities not departmentally registered.

12.05 Parental Leave

A new parent may use up to 40 hours earned sick leave upon the birth of a child or when a child begins residence with an employee who has commenced adoption proceedings with full intent to adopt.

12.06 Leave of Absence

The City Manager, upon written request of a full-time employee other than temporary and provisional employees, may grant for the good of the service a leave of absence without pay for a maximum period of one (1) year. Total unpaid leave of absence shall not exceed the equivalent of one year during any two-year period. Examples of leaves which may be granted pursuant to the provisions of this section include educational leaves, extended absence from work by reason of non-occupational illness or injury and leave for any other purpose promoting the good of the service. Premium payments made by the City for coverage of the employee and dependents under group medical, dental insurance programs shall be discontinued for the duration of any leave of absence. An employee may, at his or her option, elect to continue such coverage by making necessary premium payments to the City in a manner specified by the Director of Finance.

Any leave granted pursuant to this section shall be in writing and signed by the City Manager. Upon expiration of such a leave, the employee shall be reinstated to the position held at the time leave was granted. Failure of the employee to report promptly at its expiration or within a reasonable time after notice to return to duty shall terminate the employee's right to be reinstated.

12.07 Family and Medical Leave

City Administrative Rule 2.45 dated 7-29-95 which establishes procedures for the requesting and granting of leaves of absence under the Family and Medical Leave Act (FMLA) and the Moore-Roberti Family Rights Act (FRA) is hereby incorporated in, and made a part of, the MOU.

13.00 GRIEVANCES

13.01 Definition

A grievance is any dispute which involves the interpretation or application of any provisions of this Memorandum of Understanding; or appeals to disciplinary actions taken against employees who have satisfactorily completed their initial probationary period following employment in a classification in this representation unit. In those instances where an employee is afforded the opportunity for a pre-disciplinary hearing and the employee requests same, the hearing shall be scheduled no later than 45 days following receipt of the recommended disciplinary action by the deciding authority. In those instances where a pre-disciplinary hearing is held, the results shall be made known to the affected employee no later than 45 calendar days following completion of the hearing. In the event the city fails to observe any one of the above referenced time limits, the proposed disciplinary action shall be deemed to be null and void. An extension or waiver of the time limits herein provided may be agreed to by the parties.

13.02 Procedure

Grievances shall be processed in the following manner:

1. The grievance shall be presented either by the employee or by an authorized Association representative to the designated supervisor of the employee within seven (7) working days after the cause of such grievance occurs.
2. The designated supervisor shall have seven (7) working days from date of receipt of grievance in which to respond. If the grievance is not satisfactorily adjusted within this period, the grievance may be presented in writing either by the employee or by an authorized Association representative to the department head or to such representative as he/she may designate.
3. The department head or a designated representative shall have seven (7) working days from date of receipt of grievance in which to respond. If the grievance is not satisfactorily adjusted within this period, the grievance may be presented in writing either by the employee or by an authorized Association representative to the City Manager or to such representative as he/she may designate.
4. If the parties are unable, within seven (7) working days to reach a mutually satisfactory accord on any grievance which arises and is presented during the term of this Memorandum of Understanding, such grievance shall be submitted to an Adjustment Board comprised of two (2) Association representatives, no more than one (1) of whom shall be either an employee of the City or an elected or appointed official of the Association; and two (2) representatives of the City, no more than one (1) of whom shall be either an employee of the City or a member of the staff of any organization employed to represent the City in the meeting and conferring process. No decision of the Adjustment Board shall be final and binding without receiving the affirmative votes of at least three (3) members of the Board.
5. If an Adjustment Board is unable to arrive at a majority decision or the parties agree to waive the use of an Adjustment Board, either the Association or the

City may require that the grievance be referred to an impartial arbitrator who shall be designated by mutual agreement between the Association and the City Manager provided such request is made within 30 days of the Adjustment Board or the waiving of the Adjustment Board or hearing. The parties shall make a good faith attempt to select an arbitrator within thirty (30) days of written notice requesting arbitration either following agreement to waive the use of an Adjustment Board, or upon the declaration of deadlock by an Adjustment Board convened to hear a grievance, provided however that if the parties are unable to agree upon an arbitrator a panel of arbitrators shall be requested from the State of California Conciliation Service. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by the Association and the City. Each party, however, shall bear the cost of its own presentation including preparation and post hearing briefs, if any.

6. Decisions of Adjustment Boards and arbitrators on matters properly before them shall be final and binding on the parties hereto, to the extent permitted by the Charter of the City of Hayward. It is the intent of this provision that Adjustment Board and Arbitrator Awards be implemented.

13.03 Jurisdiction of Adjustment Board

No Adjustment Board and no arbitrator shall entertain, hear, decide or make recommendations on any dispute unless such dispute involves a position in a unit represented by Association and unless such dispute falls within the definition of a grievance as set forth in subsection 13.01.

13.04 Jurisdiction of Arbitrator

Proposals to add to or change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be arbitrable and no proposal to modify, amend or terminate this Memorandum of Understanding, nor any matter or subject arising out of or in connection with such proposal, may be referred to arbitration under this Section. Neither any Adjustment Board 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.

13.05 Disciplinary Grievances

No grievance involving disciplinary action taken against an employee will be entertained unless it is filed in writing with the Human Resources Director within seven (7) working days from the time the affected employee was notified of such action.

13.06 Compensation Grievances

All complaints involving or concerning the payment of compensation shall be initially filed in writing with the Human Resources Director. 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. Any other matters of compensation are to be resolved in the

meeting and conferring process and if not detailed in the Memorandum of Understanding which results from such meeting and conferring process shall be deemed withdrawn until the meeting and conferring process is next opened for such discussion. No adjustment shall be retroactive for more than thirty (30) days from the date upon which the complaint was filed.

13.07 City Charter Procedure Coordination

- 1) The provisions of this Section shall not abridge any rights to which an employee may be entitled under the City Charter.
- 2) All grievances of employees in representation units represented by the Association shall be processed under this Section. If the City Charter requires that a differing option be available to the employee, no action under paragraph (4) or (5) of subsection 13.02 above shall be taken unless it is determined that the employee is not availing himself or herself of such option.
- 3) No action under paragraph (4) or (5) of subsection 13.02 above shall be taken if action on the complaint or grievance has been taken by the Personnel and Affirmative Action Commission, or if the complaint or grievance is pending before the Personnel and Affirmative Action Commission.

13.08 Time Off for Grievances

If an employee desires the assistance of a representative of the Association in the processing of a grievance, the City agrees to permit one (1) Association representative reasonable time off during regular work hours, without loss of compensation or other benefits for this purpose. The grievant and/or the authorized Association representative shall obtain the approval of their immediate supervisor or other authorized departmental supervisor before leaving their duty or work station or assignment for the purpose of processing a grievance.

14.00 NO STRIKE

The Association, its members and representatives, agree that it and they will not engage in or authorize any strike, slowdown, stoppage of work, curtailment of production, concerted refusal of overtime work, refusal to operate designated equipment (provided such equipment is safe and sound) or to perform customary duties because of any dispute arising during the term of this Memorandum of Understanding; and neither the Association nor any representatives thereof shall engage in job action for the purpose of effecting changes of personnel or operations of management or of employees not covered by this Memorandum of Understanding.

15.00 MISCELLANEOUS ALLOWANCES

15.01 Police Education Incentive Program

Hayward Departmental Order 3-304 is hereby incorporated in, and made a part of, this Memorandum of Understanding.

15.02 Uniforms

The city will provide each new employee at the time of hire two (2) pair of pants, two (2) long sleeve shirts, two (2) short sleeve shirts, and the shoulder patches for same. The city will, for all employees, replace or repair without cost to the employee any worn or damaged uniform shirt or pants which, in the judgement of the city, are no longer serviceable. For all other items of uniform purchased by the employee which are severely or irreparably damaged in the line of duty, the city will continue to reimburse employees on a pro-rated basis for replacement items.

All new and replacement items of uniform and safety equipment purchased by the city shall be the property of the city, and must be returned by the employee upon separation from employment.

15.03 Uniform Allowance

An annual uniform allowance of \$440.00 shall be paid to each employee in the following manner:

1. For each eligible employee hired after January 1, 1970, a claim for payment shall be submitted during the month in which the anniversary date of employment with the City occurs, and annually thereafter.
2. In cases where items of uniform are severely or irreparably damaged in the line of duty, provision is made for direct reimbursement on a pro-rated basis for replacement items.

15.04 Ammunition Allowance

The City shall make available to each employee fifty (50) rounds of ammunition each month for the employee's use in maintaining proficiency in small arms.

15.05 Per Diem Meal Allowance

While assigned to a training location away from the City, employees shall receive per diem payments equal to the Peace Officer Standards Training (POST) reimbursement rates.

16.00 SAFETY

16.01 Safety Equipment

The following items shall be issued by the city to each officer and replaced when, in the judgment of the city, they are obsolete or unserviceable.

Police Identification Card	Cap Piece
Employee Identification Badge	Whistle
Badge	City Map
Building Key	California Vehicle Code and CVC quick reference chart
Flashlight	Ten Code
Portable Radio & Case	SWITRS Collision Report Manual
Semi-automatic pistol with three magazines	Miranda Admonition Card
Extended microphone for portable radio	Riot Helmet and Case
Handcuffs & Case	Tie Tack
Holster	Parking Permit
Double Magazine Pouch	Duty Ammunition
Lined Equipment Belt, Baton Ring, 4 Keepers, 1 Key Keeper	Oleoresin Capsicum (OC) and case
Long Baton	Citation Holder
Short Baton	Gas mask and case
Rain Coat & Pants	Class A & B uniform trousers, long sleeve shirts, and short sleeve shirts

16.02 Accident Reports

Any employee involved in an accident while on the job which results in personal injury or property damage of any kind shall report the same promptly to his/her supervisor, and shall fill out required forms for reporting same.

16.03 Body Armor

The City will provide each member with soft body armor meeting National Institute of Justice Standard 0101.03 and a minimum threat level protection IIIA. The body armor will be wrap-around style and have a multi-impact suspension system designed to keep the vest in place on the wearer during multiple impacts.

Soft body armor replacement shall be made available to all members in accordance with the manufacturer's recommended and warranted replacement schedule.

16.04 Employee Health and Medical Examinations

When in the judgment of the department head and the City Manager, an employee's health or physical condition may have an adverse effect on the performance of job duties, or affect the safety or health of fellow employees, the employee may be required to undergo a medical examination at City expense.

On the basis of authoritative medical advice, the City Manager shall determine whether an employee is physically incapacitated for the duties of the position, and may take whatever action he or she deems appropriate. The determination and resultant action may be the subject of appeal to the Personnel and Affirmative Action Commission for its review and recommendation.

Those employees designated by the City Manager shall also undergo, at City expense, routine medical examinations. The frequency of these examinations and the examining physician shall also be designated by the City Manager.

17.00 MISCELLANEOUS PROVISIONS

17.01 Notification of Address

All employees, including those on leave of absence, shall keep the Human Resources Director informed as to their current home address at all times. Failure to do so within ten (10) days after change of address may be cause for disciplinary action.

17.02 Disability Retirement

The city shall make monthly advance payments in a timely manner for disability retirement pursuant to Labor Code Sec. 4850.3 and Government Code Sec. 21293.1. Such advance payments shall continue for up to nine (9) months or until such time as the employee receives his or her initial PERS warrant, whichever occurs first. There shall be added to the advance payment issued by the city, an amount required to be paid by the provisions of this Memorandum of Understanding to the retiree for medical coverage. The city shall notify the affected employee prior to the effective date of retirement of his or her right to continue the medical coverage and to obtain the city's contribution towards same.

17.03 Oral Boards & Other Assessments

An authorized representative of the Association who is not an employee of the City may attend, as an observer, oral boards or other assessment processes convened for the purpose of promotional examinations provided the candidate requests in writing the presence of said observer.

No observer from the Association or the City shall participate in the interview or assessment of any candidate nor shall such observers comment to any rater on the observer's opinion as to the candidate's performance in the examination process or suitability for promotion.

Upon completion of the entire testing process the observers may provide individual feedback to any candidate who requests feedback and to no other

person. The opinions and observations of the observers shall not be taken into account or otherwise be recorded for the purpose of evaluating the candidates.

17.04 Notification of Promotional Examinations

The City shall provide six months' advance written notification of the week in which a promotional examination is scheduled. Said notification shall be posted for a minimum of 30 days on official Police Department bulletin boards, and a copy shall be placed in the interdepartmental mail box of each employee. The Human Resources Department shall provide source lists for those written promotional examinations for classifications within the representation unit, provided source information is available. Such information shall be provided to all applicants at least three (3) months prior the date of the written examination.

17.05 Acting Assignments

Appointments to acting status shall be made from the current eligibility list for the classification involved except under the following circumstances:

1. It is anticipated that the acting assignment will be less than 45 days.
2. The Chief of Police determines that the impact of transferring an eligible employee from one assignment into an acting assignment will operationally have a detrimental effect on the organization. In those instances the Chief of Police may select the best qualified employee from within that existing unit/bureau. However, if the vacancy exceeds 120 days, the acting assignment shall be made from the current eligibility list if any employee from the list requests the assignment. Employees who accept acting assignments may be required to relinquish their special assignments.
3. In the event a current eligibility list does not exist for the classification involved, then the previous list will be used, if no one from the previous list accepts the position, the Chief of Police will select the best qualified employee until a new eligibility list can be established. At that time a selection will be made from the eligibility list.

17.06 Performance Rating Reports

Each employee will be provided with a copy of his or her performance rating report. A copy of records in an employee's individual personnel file which the City makes available for the employee's inspection may be obtained when requested in writing up to a maximum of 25 pages. Copies of documents previously provided and/or in excess of 25 pages may be subject to copying charges as provided for in the Master Fee Resolution in effect at the time of the request.

17.07 Vacant Positions

The parties recognize the City's right, as set forth in Section 17.15 of the Personnel Rules of the City of Hayward, to determine the methods and means by which government operations are to be conducted. The City does from time to time face operational problems when authorized positions are vacated. In order

to alleviate this problem, the City will assign personnel to fill in on an overtime basis, those authorized positions which are vacant due to a termination of employment when, in the judgment of the Chief of Police, additional manpower is required for day to day operation of the Police Department. The City will make every effort to recruit for authorized vacancies as promptly as possible.

17.08 Restrictions on Outside Work

Gainful employment outside an employee's regular City position shall be considered a privilege subject to regulation and not a right. No employee shall engage in a gainful occupation outside his or her City position which is incompatible with the City employment or which is of such a nature as to interfere with satisfactory discharge of employee's regular duties. Any employee who wishes to engage in or accept such employment may do so after having first obtained written approval of the City Manager or a designated representative. Violation of this section shall be cause for disciplinary action.

17.09 Training

The parties agree that sufficient training for members of the Patrol Bureau in relevant subject matters is necessary for the effective conduct of police work in the City of Hayward. To this end, and consistent with operating requirements, the department shall endeavor to provide each employee 60 to 80 hours of such training each year.

Notwithstanding the above, every six months, the Department shall schedule and provide each uniformed officer a minimum of 12 hours of training; to be divided between the core areas of firearms, defensive tactics, and impact weapons.

17.10 Americans With Disabilities Act (ADA)

The City and the Association recognize that the City has an obligation under law to meet with individual employees who allege a need for reasonable accommodation in the work place because of a disability. If by reason of the aforesaid requirement, the City contemplates actions to provide reasonable accommodation to an individual employee in compliance with the ADA which are in potential conflict with any provision of this Memorandum of Understanding, the Association will be advised of any such proposed accommodation and be afforded an opportunity to discuss same prior to implementation by the City.

17.11 Departmental Written Directives

1. Investigation and Disposition of Complaints

Departmental Order 2-102 dated 7-17-96, Section V, Subsection C contains provisions regarding the investigation and disposition of complaints of misconduct.

Changes to the Section referred to above, are subject to the requirements of California Government Code Section 3500, et. seq. Meeting and conferring on changes to Departmental Order 2-102 shall be limited to negotiations on this issue only.

2. Minimum Staffing Guidelines

Minimum staffing levels for the patrol function will be established and set forth in Departmental Order 2-401. The numbers set forth therein are subject to change based on the staffing deployment configuration as modified from time to time.

Changes to sections IV and/or V A and C of Departmental Order 2-401 are subject to the requirements of California Government Code Section 3500, et. seq. Meeting and conferring on changes to Departmental Order 2-401 shall be limited to this issue only. No grievance relating to staffing levels shall be filed except by the Association and then only after first meeting with the Chief of Police in an attempt to resolve the issues.

18.00 SEPARABILITY OF PROVISIONS

Should any section, clause or provision of this Memorandum of Understanding be declared illegal by final judgment of a court of competent jurisdiction, such invalidation of such section, clause or provision shall not invalidate the remaining portions hereof, and such remaining portions shall remain in full force and effect for the duration of this Memorandum of Understanding. Upon such invalidation the parties agree immediately to meet and confer on substitute provisions for such parts or provisions rendered or declared illegal.

19.00 DEFERRAL OF VACATION AND COMPENSATORY LEAVE PAYMENTS DUE ON RETIREMENT

An employee who separates from service and is at the time eligible for early, normal, late, or disability retirement under the Public Employees' Retirement System (PERS) may elect, in accordance with this section, to defer receipt of any payments that would normally be made in lieu of unused leave. An election under this section must be made in accordance with the following rules:

- A. The election must be made when the employee notifies the City or PERS of the date of retirement but not less than two weeks before the employee's actual date of retirement. It may be changed or revoked, but any election in effect one year before retirement will be applied, regardless of any subsequent attempt to change or revoke it.
- B. The election applies to payments that employees would otherwise receive upon separation from service in lieu of unused sick leave, vacation leave, compensatory leave, or other leave.
- C. The employee may elect to defer all or any portion of the payments specified in subsection B above. The amount deferred may be expressed as a percentage of the total payment or as a dollar amount not to exceed the total payment.
- D. The election must specify a date on which the deferred amount is to be paid. The specified date of payment may be no later than one year after the

employee's date of retirement. Only a single date of payment may be specified. The date may be expressed as a fixed date (such as "January 1, 1996") or as a date determinable by reference to the date of retirement (such as "12 months after retirement" or "January 1 following the calendar year of retirement").

- E. If an employee does not separate from service on or before the date of payment specified in subsection D above or is not eligible for retirement under PERS at the time of separation from service, the deferral election is automatically revoked. A new election may be made only in accordance with subsection A above.
- F. No interest will be paid on amounts deferred under this section.
- G. Upon the death of a retired employee who has made a deferral election under this section but has not yet received payment, the deferred amount will be paid to the beneficiary determined under the provisions of PERS.

19.01 Leave Conversion Plan

An employee who separates from service and is at the time eligible for early, normal, late, or disability retirement under the Public Employees' Retirement System (PERS) may elect, in accordance with this section, to defer receipt of any payments that would normally be made in lieu of unused leave by participating in the approved Leave Conversion Plan.

The City agrees to contract with a third party as provider of a Voluntary Employee Beneficiary Association (or other plan) approved by the Internal Revenue Service and the Franchise Tax Board to administer the Leave Conversion Plan. The City's selection of a third party provider shall be subject to the Association's approval.

Upon execution of the agreement between the City and the plan administrator, Section 19.00, above, shall become non-operative.

Such plan shall be optional so that each employee may choose whether or not to participate in the plan and to designate their level of participation (as a percentage of their payout) in the plan.

Election to participate in the Leave Conversion Plan must be completed at least 90 days prior to retirement.

If the VEBA Trust allows for participation in the plan at times during employment with the City, in addition to the period immediately preceding separation from employment from the City, the City agrees that employees may participate in the plan by making periodic voluntary contributions through payroll deduction to the extent permitted by the VEBA Trust and applicable law.

20.00 EFFECTIVE DATE

The effective date of this Memorandum of Understanding shall be July 1, 2004 and each provision shall become effective on that date except those provisions for which another effective date is specified.

21.00 DURATION

This Memorandum of Understanding shall continue in full force and effect until 12.01 a.m. June 30, 2008 and will be renewed from year to year thereafter unless either party shall give written notice to the other of a desire to revise or terminate this Memorandum of Understanding not less than ninety (90) days nor more than one hundred twenty (120) days prior to June 30, 2008 or June 30 of any year thereafter.

HAYWARD POLICE OFFICERS' ASSOCIATION

CITY OF HAYWARD

Made and entered this _____ day of _____, 2006

APPENDIX A

Hourly Salary Ranges as of 7/1/2004 through 6/30/2006

	A	B	C	D	E
Police Officer	33.60	35.21	36.93	38.71	40.55
Inspector	37.88	39.78	41.72	43.70	45.84
Police Sergeant			44.11	46.24	48.60
Police Lieutenant				53.40	56.00

Equivalent Monthly Salary Ranges as of 7/1/2004 through 6/30/2006

	A	B	C	D	E
Police Officer	5,824	6,103	6,401	6,710	7,029
Inspector	6,566	6,895	7,231	7,575	7,946
Police Sergeant			7,646	8,015	8,424
Police Lieutenant				9,256	9,707

Salary ranges effective the pay period including July 1, 2006, shall be determined as follows: Base salary for all classifications covered by this MOU increased by the difference between the total compensation of a Hayward Police Officer and the average of the total compensation for Police Officer of the top four agencies based on a survey of salary and benefits. The percentage increase shall be determined by (Total compensation average of top four agencies - Total compensation of Hayward Police Officer)/ Total compensation of Hayward Police Officer, rounded to the nearest .01% subject to a maximum increase of 4%. Hayward may be included in the top four agencies should its total compensation so indicate.

Bargaining unit salaries effective the pay period including July 1, 2007 shall be determined according to the above compensation survey, subject to no maximum percentage.

"Total compensation" shall mean top step base monthly salary; employer-paid member PERS contributions; uniform allowance; and education incentive pay applicable to all Police Officers.

Surveyed agencies shall be: Santa Clara, Vallejo, Palo Alto, Richmond, Fremont, Berkeley, Daly City, San Mateo, Alameda, and San Leandro.

The salary surveys shall be completed by May 31, 2006 and by May 31, 2007 and include all salaries and benefits effective on July 1, 2006 and July 1, 2007, respectively and approved by the agency's board or council. If on October 1, 2006 and if on October 1, 2007, any of the above agencies reaches a settlement retroactive on or prior to July 1, 2006 and July 1, 2007 respectively, thereby changing the average of the top four agencies, a one-time adjustment will be made to salaries to reflect that change.

APPENDIX B**Sick Leave Payout**

YEARS OF SERVICE	Required Accumulated Minimum Balance To Obtain Highest Payout			Required Accumulated Minimum Balance To Obtain 1% Payout		
	8 hour day	10 hour day	12.5 hour day	8 hour day	10 hour day	12.5 hour day
1	72.01	66.01	58.51	24.01	19.21	15.37
2	144.02	132.02	117.02	48.02	38.42	30.73
3	216.03	198.03	175.53	72.03	57.62	46.10
4	288.04	264.04	234.04	96.04	76.83	61.46
5	360.05	330.05	292.55	120.05	96.04	76.83
6	432.06	396.06	351.06	144.06	115.25	92.20
7	504.07	462.07	409.57	168.07	134.45	107.56
8	576.08	528.08	468.08	192.08	153.66	122.93
9	648.09	594.09	526.59	216.09	172.87	138.30
10	720.10	660.10	585.10	240.10	192.08	153.66
11	792.11	726.11	643.61	264.11	211.28	169.03
12	864.12	792.12	702.12	288.12	230.49	184.39
13	936.13	858.13	760.63	312.12	249.70	199.76
14	1008.14	924.14	819.14	336.13	268.91	215.13
15	1080.15	990.15	877.65	360.14	288.12	230.49
16	1152.16	1056.16	936.16	384.15	307.32	245.86
17	1224.17	1122.17	994.67	408.16	326.53	261.22
18	1296.18	1188.18	1053.18	432.17	345.74	276.59
19	1368.19	1254.19	1111.69	456.18	364.95	291.96
20	1440.20	1320.20	1170.20	480.19	384.15	307.32
21	1512.21	1386.21	1228.71	504.20	403.36	322.69
22	1584.22	1452.22	1287.22	528.21	422.57	338.06
23	1656.23	1518.23	1345.73	552.22	441.78	353.42
24	1728.24	1584.24	1404.24	576.23	460.98	368.79
25	1800.25	1650.25	1462.75	600.24	480.19	384.15
26	1872.26	1716.26	1521.26	624.25	499.40	399.52
27	1944.27	1782.27	1579.77	648.26	518.61	414.89
28	2016.28	1848.28	1638.28	672.27	537.82	430.25
29	2088.29	1914.29	1696.79	696.28	557.02	445.62
30	2160.30	1980.30	1755.30	720.29	576.23	460.98
31	2232.31	2046.31	1813.81	744.30	595.44	476.35
32	2304.32	2112.32	1872.32	768.31	614.65	491.72
33	2376.33	2178.33	1930.83	792.32	633.85	507.08
34	2448.34	2244.34	1989.34	816.33	653.06	522.45
35	2520.35	2310.35	2047.85	840.34	672.27	537.82
36	2592.36	2376.36	2106.36	864.35	691.48	553.18
37	2664.37	2442.37	2164.87	888.36	710.68	568.55
38	2736.38	2508.38	2223.38	912.36	729.89	583.91
39	2808.39	2574.39	2281.89	936.37	749.10	599.28
40	2880.40	2640.40	2340.40	960.38	768.31	614.65

COMPUTING THE SICK LEAVE PAYOUT PERCENTAGE

Accumulated sick leave balance at the time of separation

The number of hours of sick leave used in the single highest use year

+

Compare the total to the numbers in the line representing the number of full years of employment. Read down under the column for the length of your workday.

If your total above is equal to or greater than the corresponding number you will receive that percentage payout, based on your available accumulated sick leave balance.

SIDE LETTERS

SIDE LETTER OF AGREEMENT

Between the City of Hayward and the
Hayward Police Officers' Association
Winter 2005

This Side Letter Agreement is based on the March 15, 2004 Tentative Agreement between the City of Hayward ("City") and the Hayward Police Officers' Association ("HPOA"):

1. Recruitment for Police Captain Classification:
The City Manager will consult with the HPOA prior to determining whether the recruitment process for Police Captain will be a "closed promotional" or "open recruitment". A final decision will await appointment of the new Chief of Police.
2. Retiree Medical:
If the rate of increase in the Kaiser North single-party premium rate during the term of this Memorandum of Understanding (effective July 1, 2004 through June 30, 2008) exceeds ten percent (10%) per year, the City and the HPOA will meet and confer relative to the City's contribution to retiree medical. Such meeting and conferring will occur in the context of negotiations for a successor MOU.
3. Working Groups:
The City and the HPOA agree to form one or more Working Group(s) to address the following issues. Task(s) to be completed by January 1, 2005.
 - a. Qualifications for the classifications of Sergeant, Lieutenant, and Inspector in terms of education, training, and experience. Although the HPOA does not represent Police Captains, the Chief agrees to consult with the HPOA to develop education, training, and experience qualifications for the classification of Police Captain.
 - b. Career paths for Sergeants, Lieutenants, Inspectors, and Police Captain.
 - c. Standard Evaluation Guidelines; and,
 - d. Maintenance and replacement schedules for police vehicles.
4. General Order on Promotions: This side letter incorporates by reference the Department's General Order on Promotions (No. 2-305). The City and the Association stipulate that management will consult the Association about revisions, if any, to this General Order.
5. The side letter dated June 30, 2000 title "Reimbursement for On Duty Equipment" is hereby rescinded.
6. The MOU was updated to reflect current practices and obsolete language was deleted. Existing side letters were deleted and the MOU was updated as follows:

July 25, 1984	Administrative Leave Acting	7.10
July 25, 1984	Educational Incentive	15.01
June 16, 1986	Detective Bureau 4/10	4.02
August 4, 1987	Personnel, Planning, Training 4/10	4.02
August 11, 1987	Patrol Division 4/10	deleted

HAYWARD POLICE OFFICERS' ASSOCIATION

April 27, 1995	Investigating Lieutenant & Sergeant	4.02
May 16, 1995	Juvenile Officer 4/10	4.02
January 14, 1998	Holiday Pay	9.02, 4.03, 4.04
January 14, 1998	3/12.5 Patrol	4.03
September 14, 1998	SRO 4/10	4.02
March 13, 2000	3/12.5 Traffic	4.04
June 30, 2000	Reimbursement for Equipment	deleted
July 1, 2000	Salary increase for 3 @ 50	6.07
November 13, 2003	Standby Protocol for Investigations	
	Bureau Employees	7.15

For the City:

For the HPOA:

Jesús Armas, City Manager Date

Ted Muniz, President Date

**ADDENDUM TO THE MEMORANDUM OF UNDERSTANDING
Between the CITY OF HAYWARD
and the HAYWARD POLICE OFFICERS' ASSOCIATION**

May 2008

The City of Hayward and the Hayward Police Officers' Association agree to amend the Memorandum of Understanding between the parties, as follows:

1.

Section 21.00 DURATION shall be amended to read:

This Memorandum of Understanding shall continue in full force and effect until; 12:01 a.m. July 1, 2015 and will be renewed from year to year thereafter unless either party shall give written notice to the other of a desire to revise or terminate this Memorandum of Understanding not less than ninety (90) days nor more than one hundred twenty (120) days prior to June 30, 2015 or June 30 of any year thereafter.

2.

Appendix A shall be amended to read:

Salary ranges shall be determined as follows: Base salary for all classifications covered by this MOU increased by the difference between the total compensation of a Hayward Police Officer and the average of the total compensation for Police Officer of the top four agencies based on a survey of salary and benefits. The percentage increase shall be determined by $(\text{Total compensation average of top four agencies} - \text{Total compensation of Hayward Police Officer}) / \text{Total compensation of Hayward Police Officer}$, rounded to the nearest .01%. Hayward may be included in the top four agencies should its compensation so indicate.

Bargaining unit salaries effective the pay period including July 1, 2008 shall be determined according to the above compensation survey, less 4% but in no case will the effective salaries be a reduction in the compensation level in effect on June 15, 2008.

Bargaining unit salaries effective the pay period including July 1, 2009 shall be determined according to the above compensation survey, less 3% but in no case will the effective salaries be a reduction in the compensation level in effect on June 15, 2009.

Bargaining unit salaries effective the pay period including July 1, 2010 shall be increased by 4% plus one-third of the positive difference between 4% and the maximum percentage determined according to the above compensation survey.

Bargaining unit salaries effective the pay period including July 1, 2011 shall be increased by 90% of the Consumer Price Index – All Urban Consumers for the San Francisco Bay Area for the 12 month period ending April 30, 2011 plus one-third of the positive difference between the 90% CPI adjustment and the maximum percentage determined according to the above compensation survey. If the Hayward Police Department is awarded full accreditation by the Commission on Accreditation for Law Enforcement Agencies, Inc. (CALEA) by July 1, 2011, the CPI adjustment referred to above will be 100% rather than 90%.

Bargaining unit salaries effective the pay period including July 1, 2012 shall be increased by 90% of the Consumer Price Index – All Urban Consumers for the San Francisco Bay Area for the 12 month period ending April 30, 2012 or the maximum percentage determined according to the above compensation survey, whichever is greater. If the Hayward Police Department is awarded full accreditation by the Commission on Accreditation for Law Enforcement Agencies, Inc. (CALEA) by July 1, 2011, the CPI adjustment referred to above will be 100% rather than 90%.

Bargaining unit salaries effective the pay period including July 1, 2013 shall be determined according to the above compensation survey.

Bargaining unit salaries effective the pay period including July 1, 2014 shall be determined according to the above compensation survey.

“Total compensation” shall mean top step base monthly salary; employer-paid member PERS contributions; uniform allowance; and education incentive pay applicable to all Police Officers.

Beginning with the salary survey effective July 1, 2013, “Total compensation” shall mean the top step base monthly salary; employer-paid member PERS contributions; uniform allowance, education incentive pay applicable to all police officers; and the amount the employer pays for premiums for family level health coverage. The amount to be included in the survey for health and welfare benefits for the City of Hayward police officers shall be the amount of the family premium for the health plan in which the plurality of the HPOA members are enrolled.

Surveyed agencies shall be: Santa Clara, Vallejo, Palo Alto, Richmond, Fremont, Berkeley, Daly City, San Mateo, Alameda, and San Leandro.

The salary surveys shall be completed by May 31 of each year of this MOU and include all salaries and benefits effective on July 1, of each year of this MOU, respectively and approved by the agency's board or council. If on October 1, or each year of this MOU, any of the above agencies reaches a settlement retroactive on or prior to July 1, of each year of this MOU respectively, thereby changing the average of the top four agencies, a one-time adjustment will be made no later than November 1st of each year respectively to salaries to reflect that change.

3.

Effective January 1, 2009, the maximum health plan premium paid by the City for active employees will be the family rate for Blue Shield HMO&EPO or Kaiser, whichever is greater.

If, in the future, PERS changes the availability of health plans offered through PEMHCA, it is the intent of the parties that the City will continue to pay the full family rate for health plan premiums which offer essentially the same coverage as Blue Shield does in 2008.

For employees enrolled in the PERSCare health plan on or before June 30, 2008, the City agrees to continue paying up to the full family plan premium through December 31, 2008, and in 2009 the City will pay one-half (1/2) of the difference between the greater of the Blue Shield HJMO & EPO or Kaiser family plan rates and the PERSCare family plan rate, the employee being responsible for payment through payroll deduction of any remaining one-half (1/2) of the difference in rates.

4.

The City agrees to establish an irrevocable medical trust account to fund the liability related to retiree medical costs. The City's funding of the medical trust account is independent of the City's obligation to pay the wages and other economic benefits set forth in this MOU.

In the 2010-2011 fiscal year 1% of payroll will be contributed by the City to the retiree medical trust if closing 2008-2009 fiscal year General Fund revenue exceeds 2006-2007 fiscal year General Fund revenue.

In the 2011-2012 fiscal year 1% of payroll will be contributed by the City to the retiree medical trust if closing 2009-2010 fiscal year General Fund revenue exceeds 2007-2008 fiscal year General Fund revenue.

In the 2012-2013 fiscal year 1% of payroll will be contributed by the City to the retiree medical trust if closing 2010-2011 fiscal year General Fund revenue exceeds 2008-2009 fiscal year General Fund revenue.

In the 2013-2014 fiscal year 1% of payroll will be contributed by the City to the retiree medical trust.

In the 2014-2015 fiscal year 1% of payroll will be contributed by the City to the retiree medical trust.

5.

The City and the Association agree to meet and confer on the issue of retiree medical benefits in January 2011. Any modification to retiree medical benefits must be by mutual agreement of the parties.

6.

The City agrees to settle the Association's grievances regarding payouts at separation for accumulated sick leave, accumulated earned vacation, and earned compensatory time. Any employee separating from employment who is, at the time of separation, receiving permanent "educational" incentive payments in addition to their base pay shall receive such incentive pay on the amounts "cashed out" representing accumulated earned vacation, earned compensatory time, and payment for unused sick leave under the provisions of section 11.07 of the MOU.

7.

The City recognizes the necessity of maintaining sworn police staffing levels to adequately serve the needs and demands of the community, to reduce the incidence of crime, and to improve the perception of safety in our neighborhoods.

The City's goal is to maintain current sworn staffing levels and strive, in the future, as funds become available to increase sworn officer staffing levels, to improve our ability to be responsive to the community consistent with the long term strategic goals of the

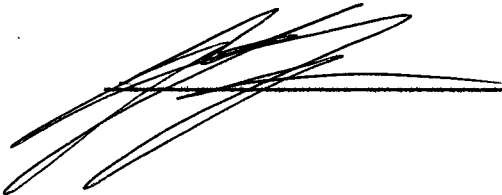
department. This goal is to be attained based on the City's overall ability to pay for such staffing levels and within the context of staffing needs throughout the City and is directly supportive of the City Council's adopted priorities related to public safety.

Made and entered this 8TH day of May, 2008.

For the Hayward Police Officers' Association



For the City of Hayward



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SIDE LETTER OF AGREEMENT

This agreement is made between the City of Hayward (City) and the Hayward Police Officers' Association to modify certain provisions of the existing Memorandum of Understanding between the parties to allow the implementation of a program advancing sick leave and/or vacation leave to qualified individuals as defined below.

A qualified individual, for the purposes of this side letter of agreement, is a person hired by the City as a police officer, who is currently employed by a public agency as a peace officer with peace officers powers and who possesses a California Commission on POST Basic Certificate.

This side letter is effective on the date of execution by the City and for a period of twenty-four months thereafter.

10.02 Vacation Accrual

A qualified individual shall be advanced vacation leave, equal to the amount of vacation leave he/she would accumulate as a newly hired police officer in 26 pay periods, effective the first pay period of his/her employment with the City. For the remainder of his/her first 26 pay periods, the qualified individual shall accrue no additional vacation leave during that term. Beginning with the 27th pay period of employment, the employee will begin to accrue vacation leave at the rate specified in the MOU.

Qualified individuals who are advanced vacation leave shall not be subject to the restriction prohibiting the use of vacation time during their first six months of employment. Qualified individuals will be given the opportunity to draw vacation based upon their seniority with the Department, measured from their respective date of hire.

Should an employee who was advanced vacation leave pursuant to this side letter of agreement separate from employment during his/her first year of employment, any advanced but unearned vacation leave shall be forfeited to the City. In addition, the City will not make a claim for reimbursement if the employee has taken more vacation time than he/she would have accrued.

11.02 Sick Leave Allowance

A qualified individual shall be advanced sick leave, equal to the amount of sick leave he/she would accumulate in 26 pay periods, effective the first pay period of his/her employment with the City. For the remainder of his/her first 26 pay periods, the qualified individual shall accrue no additional sick leave. Beginning with the 27th pay period of employment, the employee will begin to accrue sick leave at the rate specified in the MOU.

Additionally, a qualified individual shall be awarded additional sick leave credit, on an accrued hour for hour basis, equal to the number of hours of sick leave earned and with his/her most recent public agency employer, but in no event more than 200 hours, upon presentation of proof, acceptable to the City, of his/her earned and accumulated sick leave balance at the time of is/her separation from his/her most recent public agency employer. No additional credit shall be granted for sick leave hours which were advanced by the previous public agency employer but were unearned.

Qualified individuals who are advanced sick leave shall not be subject to the restriction prohibiting the use of sick leave during their first three months of continuous full-time satisfactory employment.

Executed on this 6 day of October, 2008, at Hayward, California.

For the City of Hayward:

For the Hayward Police Officers' Association:



Gregory T. Jones
City Manager



Michael Sorensen, President
Hayward Police Officers' Association