Terms, Conditions, and Understandings

Management and Confidential Employees

Term of Agreement:

October 19, 2013 – December 31, 2015

CITY OF ROSEVILLE CALIFORNIA

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TERMS, CONDITIONS AND UNDERSTANDINGS OF COMPENSATION AND EMPLOYMENT FOR MANAGEMENT/CONFIDENTIAL EMPLOYEES

The City Council of the City of Roseville hereby establishes the following salary, benefits and otherprovisions related to the employment of the City's Management/Confidential employees during the period of October 2, 2013 through December 31, 2015.

SUMMARY OF CONFIDENTIAL DESIGNATION

The confidential designation of selected positions protects the confidentiality of the city's bargaining process and strategy, both in general contract negotiations and in day-to-day interaction with employee unions and associations. The employees who occupy positions designated as confidential serve as essential support members to the management team and their confidentiality is assured by their exclusion from any organized bargaining unit.

DEFINITION

The term "confidential employee" identifies those employees who are regularly required to assist city managers responsible for developing and implementing city policies within the area of labor relations. A confidential employee is an employee who normally participates or assists in writing and/or preparing policies affecting employees' wages, hours, and working conditions; or an employee who regularly has advance knowledge of decisions which affect labor relations; or who processes information relating to the city's confidential labor relations matters.

CRITERIA

The following factors are used (in their totality) to determine those positions to be designated as confidential:

A. The duties assigned to these positions include responsibility for providing clerical and/or technical support to managers who regularly participate in labor negotiations as a chief negotiator or team member; processing paperwork relating to labor negotiations, notes, research, management proposals, contract costing, strategies and plans, strike contingency plans, salary surveys, and problems within departments which are addressed during negotiations.

B. Responsibility for processing paperwork relating to the disposition of union/association grievances, Skelly hearings, letters of reprimand, counseling memos, employee background checks, and other documents including those relating to all other forms of employee discipline.

C. All non-management employees in the following departments are deemed to be confidential employees:

1. City Attorney
2. City Manager
3. Human Resources
4. Finance – Payroll and Administrative Assistant to the Administrative Services Director staff only

ARTICLE I. SALARIES

A. Effective the first full pay period after July 1, 2014, the City shall provide a 1.5% general salary increase for all employees designated as Management/Confidential.

B. Effective the first full pay period after January 1, 2015, the City shall provide a 1.5% general salary increase for all employees designated as Management/Confidential.

C. Employees certified by the Human Resources Department as Spanish speaking will be paid $100.00 per month ($46.15 bi-weekly).

D. A five percent (5%) differential will continue to be paid to management employees in engineering classifications (except Wastewater Utility Manager and Water Utility Manager who had their PE pay converted to salary in 2000) who possess a California Professional Engineer Certificate (PE) but whose position does not require such possession.

E. Fire Battalion Chiefs will earn time and one-half overtime when covering a shift assignment.

F. The Assistant Fire Chief and Fire Division Chiefs when acting in the capacity of the Battalion Chief, will be paid at the Battalion Chief (24 hour) time and one-half rate.

G. The Assistant Fire Chief, Fire Division Chiefs and Battalion Chiefs will receive the following certification pay:

   a. Five percent (5)% of base pay bi-weekly for HazMat Technician or Specialist certification. Hazmat certification must be maintained by attending the necessary trainings and proving competency through annual testing.

   b. Two percent (2)% of base pay bi-weekly for possessing the requisite certificates for departmental rescue certification (possessing RS1, RS2, Confined Space Rescue, and Trench rescue certification). Rescue certification must be maintained by attending the necessary trainings and proving competency through annual testing.

H. Police Lieutenants required to spend time as a peace officer or watch commander will be compensated at time-and-one-half rate for time spent in excess of their normal shift. The overtime rate is for SWAT, mandatory shift scheduling and additional watch commander shifts based on operational need where the employee is not serving in his/her regular management role.

I. Reopener Provision:

The City may reopen the terms and conditions if any of the following occurs:

1. General Fund revenue declines, or is projected to decline, by 2 percent or more in one year or 1% per year over two years. The contract can be reopened only after: a) closing out the previous fiscal year, b) receiving County property tax projections for the current fiscal year, and c) the Finance Department revising revenue projections for the current fiscal year based on a) and b).

2. General Fund expenses increase by 2% or more, with no offsetting increase in revenue, based on the unfunded mandate of the State of California or an agency of the State.

3. The Roseville electorate, by local ballot initiative, approves a limitation to the salaries of Roseville management employees.

   The City shall identify Management/Confidential's proportionate share of any revenue shortfall.

In the event other revenues increase and exceed the amount of any lost revenue, the City will not exercise the reopener clause; however, any future increase in revenues must clearly offset general fund expenditures.

ARTICLE II. SALARY UPON PROMOTION

Any regular employee who is promoted to a position in a class with a higher salary range shall be placed in the step in the new salary range which represents at least a ten percent (10%) increase over the employee's current step. In the event that the new range does not have a step that is at least 10% higher than the employee's current range, the employee shall be assigned to the highest step in the range. A promoted employee is assigned a new salary anniversary date effective on the date of the promotion.

ARTICLE III. WORKING OUT OF CLASS

Pursuant to Roseville Municipal Code Section 3.07.080, no employee shall be required to perform duties which are not closely related both in kind of work and in level of responsibility to duties formerly assigned to positions in the class, except on a short-term, temporary or emergency basis. However, if a supervisor assigns an employee to work out of class for four hours or more, or one-half shift or more, the employee shall be paid out of class pay equal to ten percent (10%) or top step of the higher class where there is not ten percent differential between the two classes.

ARTICLE IV. PUBLIC EMPLOYEES RETIREMENT SYSTEM

The city agrees to provide and maintain membership in the California Public Employees' Retirement System (CalP.E.R.S.) for the benefit of eligible employees based on the following CalP.E.R.S. contract provisions:

A. In accordance with Section 21251.132 of the Public Employees Retirement System contract options the City will continue to provide the 2.7% @ 55 formula based on single highest year's compensation with 1957 and 1959 Survivor's Benefit and sick leave conversion provisions for employees who are members in the CalPERS system prior to January 1, 2013.

B. The City will continue to provide the 3% @ 50 formula based on single highest year's compensation for public safety employees for employees who are members in the CalPERS system prior to January 1 2013.

C. Effective December 29, 2012, represented miscellaneous employees will pay eight percent (8%) of reportable income to CalPERS. As permitted by CalPERS, the City agrees to report a portion of the amount of the 8% paid by the employee, equal to 6.197% of reportable income, as part of the employer's contribution and to report the same amount of such portion as Employer Paid Member Contribution (EPMC) and compensation earnable, with the remaining 1.803%, reported as the employee's portion of CalPERS.

D. Effective December 29, 2012, represented public safety employees will pay nine percent (9%) of reportable income to CalPERS. As permitted by CalPERS, the City agrees to report the amount paid by the employee as part of the employer's contribution and to report the same amount as EPMC and compensation earnable.

E. The City agrees to provide 100% of an employee's accumulated sick leave to be credited to years of service in accordance with Section 20965 of the Public Employees' Retirement System contract options.

An employee may elect to receive a payoff of a portion or all of their accumulated sick leave in accordance with Personnel Rules Section 3.12.070(L) - Payment for Unused Sick Leave.

The City agrees continue Section 21548 Pre-Retirement Optional Settlement 2 Death Benefit for miscellaneous and safety groups.

ARTICLE V. HEALTH AND WELFARE PROGRAM

A. Eligibility

Any regular employee working fifty percent (50%) or more of a full-time schedule shall be eligible to enroll in any health and welfare benefit provided by this Article. Regular part-time employees who are hired into a position funded as regular part-time after January 1, 2004, or current employees who laterally transfer or promote into a regular part-time allocated position will receive a pro-rated amount toward their health and welfare contribution based on actual hours worked. The contribution amount will be based on the percentage of full-time the employee works. For example, employees working twenty hours per week will receive 50% of the full-time contribution; employees working thirty hours per week will receive 75% of the full-time contribution, etc.

B. Medical Insurance Benefits

The City agrees to contract with the California Public Employees Retirement System (CalPERS) for the purpose of providing employees and their eligible dependents with medical insurance benefits. Effective the first of the month following City Council ratification of this MOU or as soon as administratively possible, the City's maximum monthly contribution for each eligible active employee shall be equal to the minimum employer contribution required under the Public Employees Medical and Hospital Care Act (PEMHCA).

C. Cafeteria Plan

1.The City agrees to maintain a Cafeteria Plan, pursuant to Section 125 of the Internal Revenue Code and any related regulations, for the purpose of providing employees with access to various health and welfare benefits. Benefits available through the Cafeteria Plan include medical insurance, dental insurance, vision insurance and LTD.

2.Effective November 1, 2013, the City agrees to provide a Cafeteria Plan Allowance to all employees eligible to participate in City sponsored health and welfare benefits under Section A of this Article of up to $1,200.00 monthly (less the direct PEMHCA payment provided in paragraph B) for the term of the agreement.

3.Effective December 1, 2013 or as soon as administratively possible, the City agrees to provide a Cafeteria Plan Allowance to all employees eligible to participate in City sponsored health and welfare benefits under Section A of this Article of up to $1,224.00 monthly (less the direct PEMHCA payment provided in paragraph B) for the term of the agreement.

4.Effective January 1, 2014, the City agrees to provide a Cafeteria Plan Allowance to all employees eligible to participate in City sponsored health and welfare benefits under Section A of this Article of up to $1,248.00 monthly (less the direct PEMHCA payment provided in paragraph B) for the term of the agreement.

5.Effective December 1, 2015, the City agrees to provide a Cafeteria Plan Allowance to all employees eligible to participate in City sponsored health and welfare benefits under Section A of this Article of up to $1,272.00 monthly (less the direct PEMHCA payment provided in paragraph B) for the term of the agreement.

6.Effective November 1, 2013, the City agrees to provide a flex plan credit of $168.00 per month to be used by active employees for any benefit covered under the Cafeteria Plan.

7.Employees who elect not to participate in any of the medical, dental,vision and LTD insurance benefits sponsored by the City and who provide proof of other medical coverage will not receive any Cafeteria Plan Allowance under Section C(2) or Flex Plan Credit under Section C(3) of this

Article. Instead, employees who opt out of these City sponsored benefits will receive $150 per month.

8.Any Cafeteria Plan Allowance provided for under Section C(2) of this Article can only be used by an employee to offset the cost of participation in City sponsored medical, dental, vision and LTD, insurance benefits for the employee and any eligible dependents.

D. The City agrees to continue its existing Section 125 plan. The City reserves the right to select the provider or self-administer this program and to set limits for medical reimbursement accounts.

E The City agrees to provide a dental benefit. The City agrees to provide a dental benefit to include two preventative cleanings per year. Other details of the City's dental benefit are described in the evidence of coverage document. The City reserves the right to select any dental carrier. Open enrollment will be as described in the evidence of coverage document.

F. From time to time, the City will change benefit providers due to administrative, service, economic or other reasons. Due to carrier policies and procedures and Department of Insurance requirements, there can be no guarantee that one policy will exactly mirror the preceding one. The City desires to provide a consistent benefit, and insofar as is possible, benefits and language will be matched.

G. Management and Confidential employees may utilize the Employee Assistance Program. Each employee and each dependent is eligible for a maximum of six (6) City paid counseling sessions.

H. The City agrees to continue its existing vision program and reserves the right to select an insurance provider or choose to self-insure this benefit.

I. Upon request of the City, this agreement will reopen on the subject of medical and post-retirement health benefits

Article VI. RETIREE HEALTH BENEFITS

A. Medical Insurance Benefits
The City agrees to contract with the California Public Employees Retirement System (CalPERS) for the purpose of providing employees and their eligible dependents with medical insurance benefits. Effective the first of the month following City Council ratification of this MOU or as soon as administratively possible, the City's maximum monthly medical contribution for each eligible retiree shall be equal to the minimum employer contribution required for active employees under the Public Employees Medical and Hospital Care Act (PEMHCA).

The parties agreement to move from the CalPERS equal contribution method to the PEMHCA minimum employer contribution method does not modify retiree health benefits for employees in Tiers I and II pursuant to Article VI B and C below.

B. For Employees Hired Prior to January 1, 2004 (Tier 1)
Employees hired prior to January 1, 2004 that qualify for post-retirement health benefits shall qualify for such benefits based on rules in effect prior to January 1, 2004, i.e. an employee that retires from the City of Roseville and is eligible for CalPERS service retirement shall receive a City contribution towards their post-retirement medical insurance benefit at the same level as full-time regular employees covered by this agreement.

C. For Employees Hired on or after January 1, 2004 and Prior to January 1, 2014 (Tier 2)
For employees Hired on or after January 1, 2004 and prior to January 1, 2014, to be eligible to receive post-retirement health benefits, an employee must complete at least five (5) years of CalPERS-credited service with the City of Roseville. Employees who retire from the City of

Roseville after meeting the service requirement stated above and who have at least ten (10) years of CalPERS-credited service will receive a City contribution towards their post-retirement health benefits as follows:

Total Credited Years of Service	% of City Contribution
10	50 %
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 +	100

Employees who have PERS-credited service through other public agencies must complete at least five (5) years of service with the City of Roseville and retire from the City of Roseville to be eligible for postretirement health benefits. However, once an employee has completed five (5) years of service with the City of Roseville, their eligibility for post-retirement health benefits will include all years of PERS-credited service.

The vesting requirements for post-retirement health benefits will become effective January 1, 2004. Employees hired on or after January 1, 2004 shall be subject to the above post-retirement vesting schedule for health benefits.

D. For Employees Hired on or After January 1, 2014 (Tier 3)

1. Employees hired on or after January 1, 2014 shall have no vested right in any post-employment medical benefits provided by the City of Roseville. Instead, upon hire, those employees shall contribute 1% of their base salary each pay period to a City sponsored Retirement Health Savings (RHS) account and shall contribute an additional 1.0% per pay period per year annually, up to a maximum of 5% per pay period annually thereafter, to be used to fund the employee's medical costs upon retirement from the City.

2. After five years of continuous service with the City of Roseville, and beginning on the first pay period of the sixth year of service, the City shall contribute a flat dollar amount equal to $100 per month to be deposited to the employee's RHS account up until the employee's retirement date or separation from the City. After accruing ten (10) cumulative years of service with the City and pursuant to the vesting schedule in Section C of this Article employees may draw from the City contribution to this account upon retirement.

3. Employees who terminate City service for reasons other than retirement prior to 20 years of cumulative service with the City will forfeit any City contributions.

4. Employees must retire from the City of Roseville and be enrolled in the City of Roseville's health plan in order to utilize City contributions to the employee's RHS accounts. After 10 years of cumulative service with the City of Roseville, City contributions to the employee's RHS account may be used for all covered medical expenses pursuant to Section 213 of the IRS Code.

ARTICLE VII. LONG TERM DISABILITY PLAN

A. The City agrees to maintain a long term disability (L.T.D.) program consisting of a sixty (60) calendar day qualifying period; whereupon an eligible employee shall be entitled to receive sixty percent (60%) of his/her gross monthly salary in accordance with the L.T.D. Plan. Other details of the City's L.T.D. plan are described in the plan booklet.

B. After five (5) years as a regular employee, the City agrees to pay 100% of the premium for the L.T.D. plan.

C. A program of voluntary group Supplemental L.T.D. is available to those employees assigned to the classifications in Management Appendix “A”, CCAP Appendix “A”, and Confidential Appendix “A”. The City reserves the right to select the insurance provider. The employee accepts sole responsibility for payment of any and all costs under this program. All premiums will be collected via payroll deduction.

ARTICLE VIII. LIFE INSURANCE

The City agrees to continue to provide a City paid life insurance program for eligible employees. The City reserves the right to select the life insurance benefit provider. The program will provide a policy equivalent to twice the annual salary in effect as of July 1 of each year.

ARTICLE IX. SERVICE TERM/PERFORMANCE BONUS

A. SERVICE TERM BONUS
In recognition of the substantial contribution to the community made by Confidential employees as a result of the length of their City service, the City shall annually award each applicable employee a service term bonus as indicated below.

1. The City agrees to provide Confidential employees the following service term bonus:

SERVICE TERM	BONUS AMOUNT
Beginning of the 10th year	2.5% of base salary

2. The City agrees to continue to provide Assistant Fire Chief, Fire Division Chief and Fire Battalion Chief the following service term bonus:

SERVICE TERM	BONUS AMOUNT
Beginning of 10th year to completion of 14th year	2.5% of base salary
Beginning of 15th year to completion of 19th year	5.0% of base salary
Beginning of 20th year and every year thereafter	7.5% of base salary

3. The City agrees to provide Police Lieutenants and Captains the following service term bonus:

SERVICE TERM	BONUS AMOUNT
Beginning of 10th year to completion of 14th year	2.5% of base salary

Beginning of 15th year to completion of 19th year	5.0% of base salary

Such service term bonus shall be included in each eligible employee's bi-weekly payroll.

ARTICLE X. VACATION LEAVE

A. Vacation provisions shall be governed pursuant to Roseville Municipal Code Section 3.12.060 with the exceptions noted in Subsection B.

B. Except as noted below, each full-time classified Fire Department employee shall accrue vacation leave with pay as follows:

Service Category	Bi-weekly Accrual	Days/Year Equivalent	Maximum Hours
New employee to completion of 4th year	3.693 hr	12 days (96 hours)	192
Start of 5th yr to completion of 9th year	4.62 hr	15 days (120 hours)	240
Start of 10th yr to completion of 14th yr	5.23 hr	17 days (135 hours)	272
Start of 15th yr to completion of 19th yr	5.8 hr	19 days (152 hours)	304
Start of 20th yr and succeeding years	6.46 hr	21 days (168 hours)	336

Each full-time management employee in the Fire Department working a twenty-four hour shift shall accrue vacation leave with pay as follows:

Service Category	Bi-weekly Accrual	Days/Year Equivalent	Maximum Hours
New employee to completion of 4th year	5.538 hr	6 shifts (144 hours)	288
Start of 5th yr to completion of 9th year	7.385 hr	8 shifts (192 hours)	384
Start of 10th yr to completion of 14th yr	8.308 hr	9 shifts (216 hours)	432
Start of 15th yr to completion of 19th yr	9.231 hr	10 shifts (240 hours)	480
Start of 20th yr and succeeding years	10.15 hr	11 shifts (264 hours)	528

ARTICLE XI. MANAGEMENT LEAVE PLAN

Each calendar year management employees will be eligible to receive up to one hundred (100) hours of management leave. The actual number of hours allocated to each employee will be determined based on:

A. Seventy-five percent (75%) of the total number of hours worked outside of the employee's normal working hours not to exceed one hundred hours; and

B. The employee's accomplishments, efforts and performance as determined by the department head and the City Manager.

C. By December 1st (for the subsequent year) each department will submit to the Human Resources Director their recommendation (and any supporting justification) for the amount of management leave to be allocated to each employee. The City Manager will have final approval of all administrative leave allocations.

Employees will be issued hours on January 1st each year and will not be allowed to carry unused hours beyond the end of the current calendar year. Employees may receive a lump sum payoff of forty (40) hours. Employees may make an early payoff request anytime after July 1 of each year. Employee may not be compensated for more hours than earned (based on an annual pro-ration) at the time of the payoff request. If the employee does not make an early request then the payoff of up to forty (40) hours will be made on the pay period that includes December 31st.

A department head may recommend a revised allocation if an employee's work schedule or job duties change during the year. Any payoff of management leave will be based on the revised allocation. Upon separation from City service, an employee's allocation shall be deemed revised, prorated to correspond to the portion of the calendar year prior to separation, and net payoff of management leave shall be adjusted accordingly.

ARTICLE XII. PERSONAL LEAVE TIME

Effective the first pay period of January 2014, each full-time employee in the confidential unit who has completed his/her initial probationary period with the City shall be provided a bank of forty (40) hours of Personal Leave Time (PLT). Thereafter, employees shall be provided a bank of 40 hours of PLT on the first pay period of each calendar year. Part-time employees shall receive a pro-rated bank.

Use of PLT time shall be subject to the following:

A. PLT may be used by employees for time off on an hour for hour basis until the employee has exhausted the bank.

1. Use of PLT shall be subject to the operating needs of the City. The City may deny an employee time off on PLT if such release time will adversely impact the operating or staffing needs of a City department.

B. PLT shall have cash value and may be cashed out by the employee on an hour-for-hour basis at the employee's regular straight-time hourly rate of pay. Employees may cash out unused PLT in any regular pay period pursuant to procedures established by the City Human Resources Department.

C. Any PLT time remaining in an employee's PLT bank on the last pay period of the calendar year shall not roll over into the next calendar year. Such PLT time shall be cashed out by the City on an hour-for-hour basis at the employee's regular straight-time hourly rate of pay.

D. Employees who terminate employment with the City or leave the bargaining unit shall be cashed out at the rate of 0.76923hours per week up to the balance of the employees PLT bank. If an employee terminates and has taken more PLT in advance than 0.76923 hours per week, the City shall deduct an equivalent amount of pay for the excess PLT. Any time cashed out will be paid on an hour-for hour basis at the employee's regular straight-time hourly rate of pay. Part-time employees will receive a pro-rated cash out of their PLT bank.

E. Any employee hired after the 1st of the year shall be granted a prorated amount at 0.76923 hours per week for the remainder of the calendar year. For example, if an employee is hired on July 1, the employee shall be granted 20 hours of PLT.

ARTICLE XIII. HOLIDAY PAYOFF FOR PUBLIC SAFETY MANAGERS

A. Police Lieutenants assigned to patrol will be issued 110 holiday hours annually.

B. At any time after July 1st, police managers may submit a request for a one-time lump sum of up to forty hours of holiday pay prior to taking time off at straight salary.

C. Battalion Chiefs will be issued 144 hours of holiday time annually. In lieu of holiday time off, Battalion Chiefs may elect to receive straight salary for up to six shifts of earned and unused holiday credit prior to the end of each January. All holiday time to be converted to pay shall be in one-half shift increments.

ARTICLE XIV. SICK LEAVE INCENTIVE PROGRAM (refer to Section 3.12.070. Personnel Rules)

The payment of unused sick leave is authorized by the city as a means of rewarding employees who have made conscientious efforts to maximize their attendance on the job.

Upon retirement, permanent employees shall be entitled to the payment for accrued sick leave as follows:

A.

Non-24 Hour Shift Number of Sick Leave Hours Accumulated			**24 Hour Shift Number of Sick Leave Hours Accumulated**			**Percent of Compensation Given**
		Max			Max	
1200	To	1600	1800	to	2400	70%
956	To	1199.99	1434	to	1799.99	60%
764	To	955.99	1146	to	1433.99	50%
572	To	763.99	858	to	1145.99	40%
380	To	571.99	570	to	857.99	30%
188	To	379.99	282	to	569.99	20%
0	To	187.99	0	to	281.99	0%

OR

B. Upon retirement, employees with a minimum of 150 days of sick leave (1200 hours) may “run out” their balance up to a maximum of six months. During this “run out” period, the employee will remain on city payroll and will receive all health and welfare contributions as if they were actually working. Employee will not earn any additional vacation, sick, holiday, administrative or any other form of leave, nor will they receive salary or step increases. Employee will not receive auto allowance, performance pay or city paid deferred compensation contributions while on “run down.” Finally, employee will not receive any long term disability or life insurance benefits while running down their sick leave.

C. Any remaining sick leave balances after choice of either “A” or “B” can be converted to PERS service credit.

ARTICLE XV. CATASTROPHIC LEAVE

Employees may voluntarily donate accrued vacation, administrative leave, floating holiday, and/or compensatory time off (CTO) for credit to another permanent employee covered by this agreement who

suffers a non-industrial related catastrophic illness or injury. Such donations shall be made in accordance with the following:

A. The recipient employee must be off work for a minimum of thirty (30) consecutive days and must have exhausted all accrued leave (vacation, holiday, sick leave, compensatory time, etc.) prior to receiving donated leave.

B. A donor employee may voluntarily donate up to a maximum of forty (40) hours of vacation, administrative leave, floating holiday, and/or compensatory time in any calendar year. All donations are irrevocable. Donations shall be made in four (4) hour increments. All unused hours shall remain with the recipient employee.

C. A maximum of sixty (60) days can be donated to any one permanent employee in any one calendar year.

D. A recipient employee shall be eligible for health benefits while on catastrophic leave with donated time for a maximum of sixty (60) days; however a recipient employee shall not accrue vacation or sick leave during this period.

E. An employee donating accrued leave or an employee receiving donated leave shall waive all tax liability of the City through the establishment of the catastrophic sick leave program.

ARTICLE XVI. ADDITIONAL APPLICATION

In addition to the specific application of the above terms, conditions and understanding of compensation of employment, the provisions of Articles I, IV, V, VI, VII, VIII, X, XI, XIV, XV, XVIII, XIX and XXII shall apply to the City Manager and the City Attorney.

ARTICLE XVII. UNIFORM ALLOWANCE

A. Police management will be provided uniforms in accordance with department procedures. Police Lieutenants who are assigned to investigations for a period of one year or more who have not served in that assignment for at least two years are eligible to receive a one-time clothing reimbursement of $400 to offset increased clothing costs associated with the assignment. Such clothing will be cleaned at the City's expense.

B. The City will continue to provide uniforms, clean and replace uniforms for fire management personnel.

ARTICLE XVIII. EDUCATIONAL REIMBURSEMENT

Employees may be reimbursed for the tuition and fees connected with approved job related educational courses recognized by the U.S. Secretary of Education not to exceed the California State University full-time tuition rate per year. The cost of books is not covered in this agreement. The employee will submit the request for reimbursement to the Human Resources Department.

The request must be made before the class has been completed. The Human Resources Departmentwill make the final decision to accept or reject the request. No payment will be made until the final proof of passing grade is submitted to Human Resources. The City has established an annual educational reimbursement fund of $6,000 to be administered by the Human Resources Department. Once the fund balance is depleted, no further reimbursements will be approved.

ARTICLE XIX. ALCOHOL AND DRUG ABUSE POLICY

The Alcohol and Drug Abuse Policy will continue to be enforced. All employees will be required to immediately notify the City in writing of any criminal drug or alcohol related conviction.

ARTICLE XX. DEPARTMENT HEAD CONTRACTS AND SEPARATION INCENTIVE PLAN

A. The City agrees to grant the City Manager the authority to enter into employment contracts with department head staff. One of the provisions of the contract will be to provide up to six months severance pay for department heads whose contracts are not renewed.

B. The City agrees to grant the City Manager the authorization to create a separation incentive plan using a 401 tax qualified plan and for the City Manager to serve as the Plan Administrator.

ARTICLE XXI. RELOCATION ASSISTANCE

The City agrees to grant the City Manager the authority to provide up to $15,000 in relocation assistance for positions the manager deems appropriate.

ARTICLE XXII. NO SMOKING POLICY

Sworn employees hired after January 1, 2004 must be tobacco free and cannot use tobacco products on or off duty.