

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF DIXON
AND
DIXON MID-MANAGER'S AND SUPERVISOR'S ASSOCIATION**

**JULY 1, 2025
THROUGH
JUNE 30, 2028**

**ADOPTED BY RESOLUTION NO. 25-167
OCTOBER 21, 2025**

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
DIXON MID-MANAGER'S AND SUPERVISOR'S ASSOCIATION
AND THE CITY OF DIXON**

TABLE OF CONTENTS

ARTICLE I.	GENERAL PROVISIONS
1.1	GENERAL PROVISIONS
1.2	TERM
1.3	NEGOTIATIONS
1.4	REOPENER
1.5	NO-STRIKE/NO LOCK OUT
 ARTICLE II.	 COMPENSATION
2.1	SALARY
2.2	EQUITY
2.3	STANDBY PAY
2.4	OVERTIME, CALL BACK AND COMPENSATORY TIME
 ARTICLE III.	 INCENTIVE PAYS
3.1	EDUCATION INCENTIVE
3.2	BILINGUAL INCENTIVE
3.3	LONGEVITY INCENTIVE
 ARTICLE IV.	 UNIFORMS, EQUIPMENT AND DRIVERS LICENSE
4.1	SUPERVISOR UNIFORMS
4.2	TOOLS
4.3	CLASS A OR CLASS B DRIVERS LICENSE
 ARTICLE V.	 RETIREMENT
5.1	PERS RETIREMENT
5.2	PERS RETIREMENT PLAN AMENDMENTS
5.3	DEFERRED COMPENSATION PLANS
 ARTICLE VI.	 HEALTH AND RELATED
6.1	HEALTH BENEFITS
6.2	DEPENDENT STATUS CHANGE/VERIFICATION
6.3	LONG TERM DISABILITY INSURANCE
6.4	MEDICAL AFTER RETIREMENT
6.5	EMPLOYEE ASSISTANCE PROGRAM

ARTICLE VII.

WORK ASSIGNMENTS

7.1

ALTERNATE WORK SCHEDULE

ARTICLE VIII.

LEAVES

8.1

SICK LEAVE

8.2

VACATIONS

8.3

HOLIDAYS

8.4

MANAGEMENT LEAVE

ARTICLE IX.

MISCELLANEOUS

9.1

DIRECT DEPOSIT

9.2

DRUG AND ALCOHOL TESTING

9.3

CONTRACTING OUT

9.4

SALARY SURVEY

9.5

GRIEVANCE PROCEDURES, DISCIPLINARY ACTIONS
AND APPEAL PROCEDURES

9.6

RETROACTIVE PAY

9.7

ONGOING DISCUSSION

ARTICLE X.

MANAGEMENT RIGHTS

10.1

MANAGEMENT RIGHTS

10.2

PRODUCTIVITY

10.3

MAINTENANCE OF MEMBERSHIP

ARTICLE XI.

ADMINISTRATIVE PROVISIONS

11.1

PRIOR AGREEMENTS

11.2

SEVERABILITY

11.3

ALTERATION

11.4

IMPLEMENTATION

ARTICLE XII.

APPROVAL AND RATIFICATION

ARTICLE I
GENERAL PROVISIONS

1.1 General Provisions

1.1.1 This Memorandum of Understanding ("MOU") has been executed by the City Manager on behalf of the Dixon City Council ("City") and representatives of the Dixon Mid-Manager's and Supervisor's Association ("DMSA") or "Association".

1.1.2 This MOU applies to employees in the following classifications:

MID MANAGER'S (Exempt)

Assistant Engineer
Associate Civil Engineer
Associate Planner
Chief Building Official
Deputy City Clerk
Deputy Clerk
Economic Development/Grants Manager
Fire Administrative Analyst
Management Analyst I/II
Police Records Supervisor
Police Services Analyst
Public Works Superintendent
Recreation Manager
Senior Building Inspector
Senior Civil Engineer
Senior Management Analyst
Senior Planner
Transit Manager

SUPERVISOR'S (Non-Exempt)

Chief Plant Operator
Parks and Building Maintenance Supervisor
Recreation Supervisor
Streets & Streetscapes Maintenance Supervisor
Transit Supervisor
Water Operations Supervisor

- 1.1.3 DMSA is a recognized employee organization within the meaning of the City's rules regarding Employer/Employee Relations, Chapter 2 of the City's Personnel Rules.
- 1.1.4 DMSA is the only employee organization which is entitled to meet and confer with the City on behalf of permanent employees employed by the City in the classifications represented by DMSA.
- 1.1.5 Representatives of the City and the Association have met and conferred, pursuant to the provisions of the Meyers-Milias-Brown Act and the City's rules regarding Employer/Employee Relations for the purpose of reaching an agreement concerning all matters within the scope of representation.
- 1.1.6 An agreement has been reached.
- 1.1.7 The City's rules regarding Employer/Employee Relations, as may be amended from time to time after meeting and conferring with DMSA, are hereby incorporated in this document by reference.

1.2 Term

- 1.2.1 Except where the context otherwise determines or the MOU otherwise provides, the provisions of this MOU shall apply and shall remain in full force and effect from July 1, 2025 through June 30, 2028 and for such reasonable time thereafter as may be required to ratify, revise and supersede such provisions by action taken by the parties after good faith negotiations.

1.3 Negotiations

- 1.3.1 The City and DMSA agree to begin negotiations for the contract period beginning July 1, 2028 no later than April 1, 2028.

1.4 Reopener

- 1.4.1 The City and the Association agree that before June 2028 the meet and confer process shall be convened if the City's General Fund Reserve drops to fifteen percent (15%) or below.

1.5 No-Strike/No-Lockout

- 1.5.1 No lockout of employees shall be instituted by the City during the term of this MOU.

The Association agrees that during the term of this MOU neither it nor its officers, employees or members will engage in, encourage, sanction or suggest any strike, sympathy strike, work stoppage, slow down, mass resignation, sick out, strike picketing or other concerted activities or actions tending to disrupt City services or involve suspension or substantial interference with the normal work of the City. In the event that the Association, its representatives, or any member of its executive board engages in, encourages, sanctions or suggests any of the actions set forth in this Article, the City reserves the right to take whatever action is deemed necessary and legal.

ARTICLE II

COMPENSATION

2.1 Salary

2.1.1 Salary Schedule

Effective the first full pay period in July, 2025 the Salary Schedule shall be revised. This revision shall reflect an increase in base salary of three percent (3%).

Effective the first full pay period in July, 2026 the Salary Schedule shall be revised. This revision shall reflect an increase in base salary of three percent (3%).

Effective the first full pay period in July, 2027 the Salary Schedule shall be revised. This revision shall reflect an increase in base salary of three percent (3%).

2.2 Equity

- 2.2.1 The class(es) listed below shall receive equity adjustments during the term of this agreement. These increases shall occur concurrently, but will not compound, with increases set forth in Section 2.1.1. Equity adjustments for 2025 shall take effect the first full pay period in July, 2025 and equity adjustments for 2026 shall take effect the first full pay period in July, 2026.

<u>Class</u>	<u>2025 Adjustment</u>
Chief Plant Operator	15.5%
Police Records Supervisor	7.0%
Senior Building Inspector	1.0%
Senior Planner	7.0%
Water Operations Supervisor	9.5%

<u>Class</u>	<u>2026 Adjustment</u>
Chief Plant Operator	12.5%
Water Operations Supervisor	6.5%

2.3 Standby Pay

- 2.3.1 Selected Supervisor's shall be available, as designated by a written schedule approved by the Department Head, for emergency call-out on weekends, holidays, days off, and weekday evenings.
- 2.3.2 Supervisor's shall be paid at the rate of Six Hundred Dollars (\$600.00) per week of assigned standby (prorated for less than full week assignments as follows: \$60/weekday evening, and \$150.00/weekend day (and \$150.00 per day on holidays as defined in Article 8.3).
- 2.3.3 Standby requirements shall be in accordance with adopted Department policy.
- Stand-by duty requires that the Supervisor:
- Be ready to respond immediately when called for emergency service;
 - Be reachable by telephone, vehicle radio or cellular telephone;
 - Remain within a reasonable distance from the City to be able to respond to the scene of the emergency within a reasonable time, approximately one (1) hour; and,
 - Refrain from activities which might impair the ability of the employee to perform the assigned duties.
- 2.3.4 Should a Supervisor who is not assigned to standby duty carry a cellular telephone for his/her personal convenience, the employee shall not be compensated for stand-by nor shall the employee be required to respond if paged or telephoned. Supervisor's carrying a cellular telephone but not compensated or stand-by shall not be restricted in their activities, location or availability.

2.4 Overtime, Call Back and Compensatory Time

- 2.4.1 Supervisor's shall be compensated at one and one half (1 1/2) times the employee's regular rate of pay, as that phrase is defined in the Fair Labor Standards Act (FLSA) for hours worked in excess of forty (40) hours per each seven (7) day work period.
- 2.4.2 The City shall continue its current practice of paying a minimum call back of two (2) hours for emergency callbacks of Supervisor's for hours which are not contiguous to the Supervisor's regular work shift. Supervisor's being compensated for emergency standby shall receive one (1) hour minimum call back.
- 2.4.3 In lieu of overtime pay, Supervisor's shall be allowed to accrue compensatory time off at the employee's regular rate of pay (as that phrase is defined in the FLSA) at a ratio of one and one-half (1-1/2) hours of compensatory time off for each hour of overtime worked, subject to the accrual maximum set forth in Section 2.4.4. Supervisor's desiring to accrue compensatory time off in lieu of receiving overtime pay must submit their request for compensatory time accrual

during the pay period in which the compensatory time off is earned (i.e. during the pay period in which the overtime hours are worked). Failure to make a timely request for the accrual of compensatory time off in lieu of overtime pay will result in the employee receiving overtime in pay.

- 2.4.4 Supervisor's shall be allowed to accrue a maximum of one hundred forty four (144) hours of compensatory time off, which shall include holiday compensatory time off. Supervisor's who have reached the maximum accrual for compensatory time shall receive pay for any overtime worked while they are at the accrual maximum.
- 2.4.5 Once per year, during the first full payroll period of January, the City will automatically "cash out" accumulated compensatory time off at the employee's regular rate of pay (as that phrase is defined in the FLSA) to a balance of zero (0) hours. An employee may choose not to "cash out" up to eighty (80) hours of his/her accumulated compensatory time off (pro-rated for permanent part-time Supervisor's); however, in order to do so the employee must provide prior written notification to the Finance Department no later than December 31.

ARTICLE III INCENTIVE PAYS

3.1 Education Incentive

- 3.1.1 Unit employees who have completed one year of service are eligible to participate in the Educational Reimbursement Program described in the City of Dixon Administrative Policy and Procedure, Education Reimbursement Program as may be amended from time to time.

3.2 Bilingual Incentive

- 3.2.1 Individuals who apply for and are certified by the City to possess appropriate Spanish language skills shall receive one hundred fifty dollars (\$150.00) per month. Certification or recertification of bilingual skills may be required every three (3) years. Certification or recertification shall be at the City's discretion and expense.

3.3 Longevity Incentive

- 3.3.1 To encourage and reward employee longevity, the City will provide the following longevity incentives upon employee permanent status anniversary date:
- Completion of five (5) years of service to the City of Dixon: five (5%) of base pay.
 - Completion of ten (10) years of service to the City of Dixon: four (4%) of base pay.
 - Completion of fifteen (15) years of service to the City of Dixon: three (3%) of base pay.
- 3.3.2 The incentives are cumulative, not compounded, and cannot exceed twelve percent (12%) of base salary.

ARTICLE IV

UNIFORMS, EQUIPMENT AND DRIVERS LICENSE FOR SUPERVISORS

4.1 Supervisor Uniforms

- 4.1.1 All Public Works Maintenance, Wastewater and Water Supervisors shall wear a uniform while performing scheduled City duties. The uniform is intended to be durable clothing that presents a neat and clean appearance while identifying the individuals as an employee of the City of Dixon.
- 4.1.2 The two options regarding work attire are:
 - 4.1.2.1 Employees receive eleven (11) uniforms (shirts and pants) per two week period. These uniforms shall be provided by and laundered by a laundry service chosen and paid for by the City; or
 - 4.1.2.2 At employee's discretion, in lieu of uniform shirts, the City will provide six (6) knit shirts per year with the City logo and the employee's first name. The cost of the shirts will approximate the laundry service expense for uniform shirts. Unit members shall be responsible for mending all tears and regular washing.
 - 4.1.2.3 When shirts no longer appear "neat" due to numerous mended tears or numerous stains; the employee is responsible for replacing that article of clothing. If necessary, the Director of Public Works Operations and Maintenance has the authority to order an employee not to wear a particular shirt. Under this option, uniform pants will still be provided by the City and laundered by a laundry service chosen and paid for by the City.
- 4.1.3 At the discretion of the Department Head, Supervisors performing non-hazardous tasks may be allowed to wear shorts during the hot weather months. Supervisors shall be responsible for the purchase of their shorts and their maintenance. The style of the shorts shall be determined by the Department Head.
- 4.1.4 Safety Jackets and Safety Shoes
 - 4.1.4.1 All employees within the City Engineer/Public Works Department shall be provided or reimbursed for safety jacket of a type and style approved by the Department Head that meet minimum standard as established by the American National Standards Institute ("ANSI").
 - 4.1.4.2 All employees required by the Department Head to wear safety shoes shall be provided or reimbursed for the cost of the safety

shoes not to exceed two hundred (\$200.00) dollars per fiscal year. The type and style shall be approved by the Department Head and shall meet the minimum standard as established by the ANSI.

4.1.4.3 Unit members in the Water Operations Division required by the Department Head to collect meter readings shall be reimbursed for walking shoes for an amount not to exceed one hundred and fifty (\$150) annually. Employees may wear walking shoes in lieu of safety shoes during the monthly period of collection of meter readings only.

4.1.4.4 To receive reimbursement, employees must present proof of purchase, in a manner prescribed by the Department Head, indicating that the safety shoes and/or jackets were purchased. Supervisor's receiving safety shoe reimbursement shall be required to wear them at all times while on the job. Safety shoes and jackets purchased by the City or purchased with City reimbursement shall not be used off duty. Safety shoes and jackets will be replaced in accordance with departmental policy.

4.2 Tools

4.2.1 In cases where tools or equipment are required by the City, to be furnished by the Supervisor, the City will provide a safe place for the storage of said tools.

4.2.2 The Supervisor shall give to his-her immediate supervisor, on an annual basis, a list of the tools provided by the employee.

4.2.3 The City shall fully compensate any Supervisor's for tools which are lost or damaged due to theft or fire. Compensation shall be made only when the tools are listed on the inventory provided by the employee to the City and are stored in the place designated by the City. Compensation shall not be made if the fire, theft or damage to the tool was due to the negligence or intentional act of the employee, or if it cannot be established that a theft actually took place.

4.3 Class A or B Drivers License and/or Endorsements

4.3.1 The City shall pay any costs for Supervisor's taking required examinations for a Class A or B drivers license and/or endorsements, provided that the individual is required by the City, by virtue of the requirements of his/her job classification, to maintain a Class A or B license and/or endorsements.

ARTICLE V RETIREMENT

5.1 PERS Retirement

5.1.1 The City will continue its participation in the State of California Public Employees' Retirement System ("PERS") for miscellaneous employees as follows:

- Tier One – Applicable to employees who are not defined as "New Members" in Government Code Section 7522.04 and were hired before December 16, 2012 are eligible for a 2.5% @ 55 benefit formula.
- Tier Two – Applicable to employees who are not defined as "New Members" in Government Code Section 7522.04 and were hired on/after December 16, 2012 are eligible for a 2% @ 60 benefit formula.
- Tier Three – Applicable to employees who are defined as "New Members" in Government Code Section 7522.04 are eligible for the 2% @ 62 benefit formula.

5.2 PERS Retirement Plan Amendments

5.2.1 Military Buy Back

The City has amended its contract with PERS to provide the PERS Optional Benefit Section 21024 – Military Service Credited to Public service.

Participation in this program benefit is at the option and total expense of the employees, including any and all employee, employer and/or accrued interest costs.

5.2.2 PERS coverage for Permanent Part-Time Employees

The City has amended its PERS contract to cover permanent part-time employees who work twenty (20) hours per week or more.

5.2.3 Employee PERS Contributions

Employees' contribution rate for the miscellaneous retirement plan is as follows:

- Tier One - employees shall contribute eight percent (8%) of salary to the PERS retirement plan.

- Tier Two - employees shall contribute seven percent (7%) of salary to the PERS retirement plan.
- Tier Three – new members shall contribute fifty percent (50%) of the total normal cost, unless otherwise determined annually by CalPERS, of the PERS retirement plan.

5.2.4 Employer PERS Contributions

Employees shall contribute an additional amount towards the employer share of PERS contributions as follows for miscellaneous employees:

- Tier One - employees shall contribute five percent (5%) towards the employer share of PERS contributions. The total contribution for Tier One Miscellaneous Members shall be thirteen percent (13%).
- Tier Two - employees shall contribute five percent (5%) towards the employer share of PERS contributions. The total contribution for Tier Two Miscellaneous Members shall be twelve percent (12%).

5.3 Deferred Compensation Plans

- 5.3.1 All employees covered by this MOU who may choose to participate in the Deferred Compensation Plans offered by the City by directing a portion of their salary or their flexible benefit on a tax deferred basis via payroll deduction. Current federal regulations concerning maximum annual contributions apply. See current plan for details.

ARTICLE VI HEALTH AND RELATED

6.1 Health Benefits

6.1.1 Monthly Benefit Allowance:

Effective the first pay period in July of 2025 and ending at the beginning of the 2026 Plan Year:

Employee only	\$900.00 or 70% of Kaiser (Region 1) Employee Only rate, whichever is greater
Employee + 1	70% of the Kaiser (Region 1) Employee + one dependent rate
Employee + 2 or more	70% of the Kaiser (Region 1) Employee + two or more (dependent rate)

Effective the beginning of the 2026 Plan Year:

Tier 1: Employees hired on or before June 30, 2025 Monthly Benefit Allowance:

Employee only	\$900.00
Employee + 1	\$1,558.00
Employee + 2 or more	\$2,025.00

Employees shall receive MBA as described below:

If employee has eligible dependent(s) but only enrolls in the individual health plan, that employee is eligible to receive the Employee + 1 or Employee + 2 or more dependents MBA tier amounts based upon the number of dependents. If there is a remaining credit this may be utilized for other benefits or as taxable income. The employee will need to provide proof that the dependents are covered under another "Group" health plan that meets the Affordable Care Act's definition of minimum essential coverage (as described section 6.1.4). Employee will be required annually to update dependent status and provide proof of other coverage (as described in section 6.2.2).

6.1.2 Employer Medical Premium Contribution:

Tier 2: Employees hired on or after July 1, 2025

The City shall contribute an amount equal to eighty-five percent (85%) of the premium for the Kaiser (Region 1) health plan based upon each employee's enrollment for each month in which the employee is eligible for health benefits. The employee shall pay the balance of the premium, if any, for their health insurance benefit.

Employees in Tier 1 may opt into Tier 2 during open enrollment or upon any qualifying event. Employees may not opt into Tier 1 under any circumstances, including but not limited to after having opted into Tier 2 from Tier 1. Employees in Tier 1 who opt-out of health insurance benefits pursuant to Section 6.1.3 and 6.1.4 will be allocated to Tier 2 if they end their opt-out status. Tier 1 sunsets on December 31, 2027. On that date, all remaining Tier 1 employees will convert to Tier 2.

6.1.3 Permanent part-time employees (working 20 hours/week or more) are pro-rated.

6.1.4 Waiver of Health Benefits:

If no medical plan is chosen the unit member receives six hundred dollars (\$600.00) per month as taxable income if the employee complies with the following Affordable Care Act (ACA) requirements. Permanent part-time unit members receive a pro-rated share of the six hundred dollars (\$600.00) per month based on the number of hours regularly worked as taxable income.

Effective January, 2028, If no medical plan is chosen the unit member receives Seven Hundred Dollars (\$700.00) per month as taxable income. Permanent part-time unit members receive a pro-rated share of the seven hundred dollars (\$700.00) per month based on the number of hours regularly worked as taxable income.

6.1.5 Affordable Care Act Compliance

The City will provide an employer contribution toward health plan premiums in accordance with the requirements of the Affordable Care Act (ACA). The eligible opt-out arrangement conditions that must be satisfied in order for an employee to receive compensation for opting out of the City's health care coverage are as follows:

- a. The employee and the employee's Tax Family must have (or will have) minimum essential coverage through another source (other than

coverage in the individual market, whether or not obtained through Covered California);

b. A Tax Family means all individuals for whom the employee reasonably expects to claim a personal exemption deduction for the taxable year(s) that cover the employee's plan year for which the eligible opt-out arrangement applies;

c. The employee must provide reasonable evidence of the alternative minimum essential coverage for the employee and their Tax Family for the applicable period. Reasonable evidence may include an attestation by the employee;

d. The employee must provide the evidence/attestation every plan year;

e. The employee must provide the evidence/attestation no earlier than a reasonable time before coverage starts (e.g. open enrollment). The evidence/attestation may also be provided within a reasonable time after the plan year starts; and

f. The compensation for opting out cannot be made if the City knows or has reason to know that the employee or a member of the employee's tax family does not have alternative minimum essential coverage.

Failure to comply with these requirements will result in mandatory enrollment in the City's group health plan for the Unit Member and their eligible dependents.

6.1.6 CalPERS Medical Unequal Contribution Method

(a) From the appropriate MBA amount set forth above, the City will contribute under the PERS Medical Unequal Contribution Method for each employee, the amount necessary to pay the costs of his or her enrollment, including the enrollment of family members in the CalPERS health benefits plan.

(b) The City will contribute under the PERS Medical Unequal Contribution Method for each annuitant, the amount necessary to pay for the costs of his or her enrollment, including the enrollment of family members in the CalPERS health benefits plan.

(c) The City shall pay the CalPERS monthly administrative fees.

6.1.7 IRS Section 125 Plan ("Cafeteria Plan")

(a) The City will maintain a Cafeteria Plan for the benefit of employees.

- (b) After making the required contribution for medical insurance under the PERS Medical Unequal Contribution Method (See Section 6.1.5 above), the remaining dollars may be used by the employee either to purchase medical insurance through CalPERS Health or to purchase any other optional plans that may be offered by the City in accordance with a qualified plan.
- (c) Plans currently offered include: Dental, Vision, Voluntary Group Life Insurance, and Supplemental Insurance Options.
- (d) The choice of insurance plan(s) is made once a year by employees during the open enrollment period, at time of hire for new employees, or when the employee's dependent status changes. Insurance premiums may be deducted from gross pay each payroll period throughout the plan year. Deductions from gross pay are the same as pre-tax contributions.

6.1.8 Flexible Spending Account ("FSA") – Unreimbursed Medical/Dependent Care

- (a) FSA participation begins January 1st of each year. Allocation amounts and/or modifications to these accounts must be determined for a full twelve (12) month period (i.e., the calendar year) during the open enrollment period, at time of hire for new unit members, or when an employee's dependent status changes. Services must be received during the plan period, which is January 1 through December 31. Employees may carryover a minimum of fifty dollars (\$50) up to the maximum IRS health FSA carryover into the next plan year. Any unused funds over the maximum IRS health FSA carryover amount will be forfeited. (For plan details, contact Human Resources. Administration costs associated with the Flexible Spending Account plan(s) will be paid by the City.

6.1.9 Dental and Vision

Effective the first pay period in July of 2025 and ending at the beginning of the 2026 Plan Year:

The City shall pay the Employee Only rate for Dental HMO and Vision plans.

Effective the beginning of the 2026 Plan Year:

The City will contribute an amount sufficient to cover one hundred percent (100%) of the cost of Dental PPO and Vision premiums for the selected plan level (Employee Only, Employee + Spouse, Employee + Child(ren), Employee + Family).

6.2 Dependent Status Change/Verification

- 6.2.1 If an employee's dependent status changes, the employee is responsible for notifying Human Resources within thirty (30) days of the effective date of the change to ensure that the City's contribution rate is properly adjusted if necessary. The employees' new rate will take effect on the first of the month following the prior's month's notification. Under no conditions will a rate change be made retroactive to this date. Failure to notify Human Resources of such a change within thirty (30) days could result in the employee being held financially responsible for any benefit overpayment. The employee will be required to reimburse the City via payroll deduction for any such benefit overpayment.
- 6.2.2 On an annual basis, the City will require the employee to verify his or her dependent status in writing to ensure that the City is contributing the appropriate amount toward health and dental insurance premiums. The City will use the PERS definition of the term "dependent." The City reserves the right to conduct random checks of dependent status.

6.3 Long Term Disability Insurance

- 6.3.1 The City shall provide for a long-term disability plan for all employees who are regularly scheduled to work at least twenty (20) hours per week or more. The monthly premium is paid by the City. Employees are entitled to benefits after sixty (60) calendar day's absence due to disability/illness and in accordance with the Personnel Rules and Regulations governing extended medical absence from the workplace due to illness or disability.

6.4 Medical Premium Payment Upon Retirement

- 6.4.1 For employees who retire from the City of Dixon, the City will pay, on a monthly basis after retirement, the dollar equivalent of one (1) month's premium for the PERS Kaiser Plan (County or Region rate in which you reside.) for the employee plus one dependent at the rate of one (1) month's premium for each full year worked in the employ of the City of Dixon prior to retirement. The total time period of these payments shall not exceed twenty-four (24) months. Said payment shall be extended to the surviving spouse or dependent of a deceased retiree, to the extent that said payments would have been made had the employee not died. Thereafter, for CalPERS retirees enrolled in CalPERS Retiree medical, the City shall contribute the PERS Medical Unequal Contribution, as required by CalPERS.

6.5 Employee Assistance Program

6.5.1 The City will maintain in effect an Employee Assistance Program. For further information, contact Human Resources.

ARTICLE VII

WORK ASSIGNMENTS

7.1 Alternate Work Schedules

- 7.1.1 The City has authorized various departments the option to operate under a 9/80 or 4/10 work schedule subject to the discretion of the Department Head. For clarification purposes a 9/80 work schedule as referred to in this MOU is a work schedule covering a 14-day work cycle period in which an employee is assigned to four (4) nine (9) hour days during a seven (7) day period and four (4) nine (9) hour days and an eight (8) hour day for the adjoining seven (7) day work period. For clarification purposes a 4/10 work schedule as referred to in this MOU is a work schedule covering a 14 day work cycle period in which an employee is assigned to work four (4) ten (10) hour days during a seven (7) day period and four (4) ten (10) hour days during the adjoining seven (7) day period.
- 7.1.2 Shifts will be scheduled with starting and stopping times as directed by the Department.
- 7.1.3 Only those unit members authorized by Department Head, will be able to participate in the 9/80 or 4/10 work schedule. Department Head reserves the right to schedule personnel on or off of the 9/80 or 4/10 work schedule as necessary based on operational need where better service or other work requirements are met by such alternate schedule. The City agrees to meet and confer with the Union in advance of the implementation of a change in work schedule.
- 7.1.4 Should any employee on the 9/80 or 4/10 work schedule become ill or injured requiring time off from the job or modified job duties, that employee may be assigned to a five (5) day, forty (40) hour work week.
- 7.1.5 This agreement shall not affect the application of overtime as described in the MOU between the City and the Union.
- 7.1.6 For employees on the 9/80 or 4/10 work schedule holidays will be compensated at the rate of nine (9) hours per holiday. Employees on the 4/10 schedule shall use one (1) hour of accrued leave for the holiday.
- 7.1.7 Vacation and sick leave accrual will continue to be accrued at the current bi-weekly and monthly rates, respectively.
- 7.1.8 Should an employee on the 9/80 work schedule require the use of paid leave time (i.e. sick/family leave, vacation leave, compensatory time off) on a day he or she would normally be scheduled to work nine (9) hours, nine (9) hours of paid leave time will be required to receive full wage compensation for that day's absence. Should an employee on the 4/10 work schedule require the use of paid leave time

(i.e. sick/family leave, vacation leave, compensatory time off) on a day he or she would normally be scheduled to work ten (10) hours, ten (10) hours of paid leave time will be required to receive full wage compensation for that day's absence.

7.1.9 The current practice of two fifteen (15) minute paid breaks and one-half (1/2) an hour unpaid lunch period shall remain in effect.

7.1.10 If this agreement is terminated, it is understood that the shift schedule for affected unit members will return to the work schedule that existed immediately prior to the implementation of the 9/80 or 4/10 work schedule.

7.1.11 The City will run a 9/80 schedule trial at City Hall for the duration of the term of the MOU. The trial ends on June 30, 2028. The City thereafter will make a decision about retaining the 9/80 schedule at City Hall on an ongoing basis pursuant to the existing terms in Sections 7.1.1 and 7.1.3 of the MOU.

ARTICLE VIII LEAVES

8.1 Sick Leave

8.1.1 General

The purpose of sick leave is to provide income protection if an employee must be absent from work due to his or her injury or illness or due to the illness or injury of a family member. A family member includes child (including step-child), parent (including step-parent or parent-in-law), spouse, registered domestic partner, grandparent, grandchild, or sibling. Sick leave may be used only in case of sickness, disability, medical or dental care.

8.1.2 Accrual

Full-time employees will accrue sick leave at the rate of eight (8) hours for each full month of service completed. There is no maximum accrual of sick leave credits.

Permanent part-time employees accrue sick leave on a pro-rated basis depending on the number of hours they are regularly scheduled to work.

8.1.3 Payment

For employees that have completed at least two (2) years of service to the City, a portion of his or her accrued unused sick leave may be converted to cash upon retirement from the City according to the following schedule:

Years of Service	Conversion Percentage
1 – 2	0%
3 – 5	20%
6 – 10	30%
11 +	30% + 2% for each year after ten (10) to a maximum of 50%

For retiring employees, any portion of the sick leave balance that is not cashed out is placed into the PERS sick leave conversion program.

8.1.4 Family Illness

The City shall provide all rights and benefits due employees in accordance with the Family Medical Leave Act ("FMLA"), the California Family Rights Act ("CFRA"), and any other Federal or State laws governing employees leave rights.

8.1.5 Sick Leave Bank

The Sick Leave Bank Policy, agreed to by City and DMSA, or as may be amended hereinafter will be available to the DMSA members during the term of this MOU.

8.1.6 Bereavement Leave

In the event of a death in the immediate family, each full-time or benefitted part-time employee will be granted up to three (3) working days of paid bereavement leave per incident.

As soon as the need for a bereavement leave is known, the employee, or someone on his or her behalf, must notify the employee's immediate supervisor. The employee is responsible for certifying as to his or her need for the use of a bereavement leave on a City approved Request for Bereavement Leave Form.

All bereavement leave must be used within fourteen (14) calendar days following the death of the immediate family member. Under extreme circumstances, the fourteen (14) day requirement may be waived by the City Manager. The decision of the City Manager in this regard shall be final, with no process for further appeal.

Bereavement Leave shall be in accordance with adopted City policy, which is intended to meet the requirements of employer provided bereavement leave under California Government Code 12945.7 and any other applicable federal, state or local law, as may be amended from time to time.

8.2 Vacations

8.2.1 Accrual Rates

Full-time employees will accrue vacation leave at the following rates:

- 3.7 hours bi-weekly from initial date of hire through the first five (5) completed years of employment (12 days annually, i.e. 96 hours).
- 4.62 hours bi-weekly after five (5) completed years of employment (15 days annually, i.e. 120 hours).
- 6.16 hours bi-weekly after ten (10) completed years of employment (20 days annually, i.e. 160 hours).
- 7.69 hours bi-weekly after fifteen (15) completed years of employment (25 days annually, i.e. 200 hours).

Permanent part-time employees earn vacation on a pro-rated basis depending on the number of hours they are regularly scheduled to work. The proration is based on a full-time, forty (40) hours per week position earning vacation at the rates listed above.

The maximum vacation balance allowed is two times the current annual accrual. Upon separation, employees are entitled to receive payment at their current base pay for all vacation time accrued but not taken as of the effective date of separation.

8.3 Holidays

8.3.1 The following Holidays are recognized by the City:

January 1	New Year's Day
3 rd Monday in January	Martin Luther King's Birthday
3 rd Monday in February	President's Day
Last Monday in May	Memorial Day
June 19 th	Juneteenth Day
July 4 th	Independence Day
1 st Monday in September	Labor Day
November 11	Veteran's Day
4 th Thursday in November	Thanksgiving Day
4 th Friday in November	Day after Thanksgiving Day
December 24	Day before Christmas
December 25	Christmas

8.3.2 When a holiday falls on a Sunday, the following Monday is observed.

When a holiday falls on a Saturday, the preceding Friday is observed.

8.3.3 Floating Holidays – 40-hour/week Employees

Employees who work a regular forty (40) hour work week shall be compensated at the rate of eight (8) hours per holiday. During the fiscal year, the City will provide two (2) floating holidays per employee, which may be taken by the employee at the time selected by the employee and subject to operational requirements and approval of the Department Head.

8.3.4 Floating Holidays – 9/80 Employees

Employees who work a 9/80 work schedule, shall be compensated at the rate of nine (9) hours per holiday. If a holiday falls on an employee's regularly scheduled eight (8) hour work day, the employee shall receive eight (8) hours of straight pay and one (1) hour of holiday compensatory pay for the holiday. These employees shall be provided one (1) floating holidays per employee, which may be taken by the employee at a time selected by the employee and subject to operational requirements and approval of the Department Head.

8.3.5 Floating Holidays – 4/10 Unit Members

Unit members who work a 4/10 work schedule, shall be compensated at the rate of nine (9) hours per holiday. If a holiday falls on an employee's regularly scheduled ten (10) hour work day, the employee shall receive nine (9) hours of straight pay and the employee shall use one (1) hour of accrued leave for the holiday. These unit members shall be provided nine (9) hours of floating holiday per fiscal year.

8.3.6 Floating Holidays – Permanent Part-Time Employees

Permanent part-time employees shall receive holiday compensatory pay on a pro-rated basis depending on the number of hours they are regularly scheduled to work. During the fiscal year, the City will provide the pro-rated share of two (2) floating holidays per employee and subject to operational requirements and approval of the Department Head.

8.3.7 Unused Floating Holidays

Floating Holidays shall be used within the fiscal year earned. Unused Floating Holidays may not be rolled over to the next fiscal year and there shall be no cash value for the floating holidays.

8.4 Management Leave for Mid-Management

- 8.4.1 Exempt Mid-management employees do not receive overtime compensation. They will be provided eighty-eight (88) hours management leave in recognition of extra hours required by the position.

Permanent part-time exempt mid-management employees receive a pro-rated amount of management Leave depending on the number of hours regularly scheduled to work. (Based on a full-time mid-management rate of eighty (80) hours/year.)

- 8.4.2 Fifty percent (50%) of the management leave total can be cashed out each year upon request. Payout may be taken in cash, or directed toward a Deferred Compensation Plan subject to annual limits. No eligible employees shall carry over management leave from one fiscal year to the next fiscal year, any existing time balance as of June 30 will be forfeited.
- 8.4.3 Mid-management employees hired after July 1 of the fiscal year shall be entitled to a pro-rated share of management leave based upon the number of full pay periods remaining in that fiscal year.
- 8.4.4 Upon separation from service, the Mid-management employee shall be paid for a pro-rated share of management leave based upon the number of full pay periods remaining in the fiscal year of separation.

ARTICLE IX MISCELLANEOUS

9.1 Direct Deposit

9.1.1 The City shall continue to make available to employees a Direct Deposit system.

9.2 Drug and Alcohol Testing

9.2.1 City will comply with all applicable Federal regulations governing workplace anti-drug programs in the transportation industry. The City and DMSA have agreed on implementation of these regulations through the City of Dixon Substance Abuse Policy.

9.3 Contracting Out

9.3.1 Not less than sixty (60) calendar days prior to any final decision on contracting out to do unit work, the City will notify DMSA of its intent to contract out. Upon request, the City will meet with the Association to explain the reasons that contracting out is being considered, and to discuss the impact of the contract out on employees. Nothing herein should be construed to restrict the City's right to contract out unit work in its sole discretion after meeting and conferring with DMSA on the impact of the sub-contracting.

9.4 Salary Survey

9.4.1 The City and DMSA do not anticipate conducting a salary survey during the term of this Agreement. If a salary survey is conducted, the following Agencies will be used:

Benicia	Davis	Fairfield
Suisun	Vacaville	Vallejo
West Sacramento	Woodland	

The City and DMSA will meet and confer prior to commencing collection of the data to determine the scope of the total compensation survey and confirm positions to be surveyed.

9.5 Grievance Procedures, Disciplinary Actions and Appeal Procedures

9.5.1 Grievances, disciplinary actions and appeals thereto shall be conducted in accordance with the City Personnel Rules, which may be amended from time to time.

9.6 Retroactive Pay

9.6.1 If required, retroactive pay resulting from this MOU will be issued within sixty (60) days from the signing of this MOU.

9.7 Ongoing Discussion

9.7.1 The parties agree to maintain positive working relationships while addressing issues which may emerge prior to the next schedule negotiation date. Therefore, the parties agree to meet at least once each six (6) months, or more frequently if needed, throughout the life of this contract to discuss any issues of concern which may arise.

ARTICLE X MANAGEMENT RIGHTS

10.1 Management Rights

Unless specifically in conflict with this MOU, all management rights shall remain vested exclusively with the City. City management rights include, but are not limited to, all rights set forth in the City's Employer Employee Relations Resolution, and each of the following:

- 10.1.1 The right to determine the mission of the City, including without limitation the City's agencies, departments, divisions, institutions, board and commissions;
- 10.1.2 The right of full and exclusive control of the management of the City; supervision of all operations; determinations of methods, means, locations and assignment of performing all work; and the composition, assignment, direction, location and determination of the size and mission of the work force;
- 10.1.3 The right to determine the work to be done by employees, including establishment of service levels, appropriate staffing and the allocation of funds for any position(s) within the City;
- 10.1.4 The right to review and inspect, without notice, all City-owned facilities, including without limitation desktop computers, work areas and desks, email, computer storage drives, voicemail systems and filing cabinets and systems except to the extent notice and/or other procedural requirements are required under the Officers Bill of Rights, Government Code Section 3309 for lockers or other assigned storage space;
- 10.1.5 The right to change or introduce different, new or improved operations, technologies, methods or means regarding any City work, and to contract out for work;
- 10.1.6 The rights to establish and modify qualifications for employment, including the content of any job classification, job description or job announcement, and to determine whether minimum qualifications are met;
- 10.1.7 The right to maintain and modify the City's classification plan;
- 10.1.8 The right to establish and enforce employee performance standards;

- 10.1.9 The right to schedule and assign work, make reassignments and assign overtime work;
- 10.1.10 The right to hire, fire, promote, discipline, reassign, transfer, release, discipline, layoff, terminate, demote, suspend or reduce in step or grade, all employees;
- 10.1.11 The right to establish and modify bargaining units, and to assign new or amended classifications to particular bargaining units subject to restrictions set forth in the Meyers Milias Brown Act, Government Code Section 3508;
- 10.1.12 The right to inquire and investigate regarding complaints or concerns about employee performance deficiencies or misconduct of any sort, including the right to require employees to appear, respond truthfully and cooperate in good faith regarding any City investigation; and
- 10.1.13 The right to maintain orderly, effective and efficient operations.

10.2 Productivity

- 10.2.1 Employees will cooperate fully with management in programs designed to increase the level of overall productivity of mutual benefit to the taxpayers.

10.3 Maintenance of Membership

- 10.3.1 The parties hereto recognize that within the Agency shop provisions of this agreement, Association employees may opt to join Dixon Mid-Manager's And Supervisor's Association or register as a fee payer during the first thirty (30) days of their employment. Neither the City nor the Association will discriminate against any employee because of the exercise of their statutory rights. DMSA agrees to its obligation to represent all employees in the Association fairly and equally, without regard to their membership in the Association.

Therefore, any employee of the City, who is a member of DMSA, or who subsequently joins, and all employees in the Association hired, as a condition of continued employment, are required to either belong to DMSA or to pay to DMSA an amount equal to a fair percentage of that which would be paid by an employee who decides to become a member of the Association at the time of employment. Payment of dues shall be by payroll deduction. Once authorized, the City agrees to deduct dues of membership.

Any enforcement of this section shall be the responsibility of DMSA, utilizing appropriate civil procedures. DMSA shall indemnify and hold the City harmless from any and all claims, demands or suits, or any other action arising from this section.

ARTICLE XI ADMINISTRATIVE PROVISIONS

11.1 Prior Agreement

- 11.1.1 This Memorandum of Understanding sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any other prior or existing understanding or agreements by the parties, whether formal or informal, regarding any such matters are hereby superseded or terminated in their entirety. Items contained in previous Memorandum of Understanding and/or City Council resolution, which are not superseded or modified by this Agreement, remain in effect.
- 11.1.2 It is agreed and understood that each party hereto voluntarily and unqualifiedly waives its right to negotiate, and agrees that the other party shall not be required to negotiate, with respect to any matter covered herein during the term of this Memorandum of Understanding. Nothing in this paragraph shall preclude the parties from jointly agreeing to meet and confer on any issue(s) within the scope of representation during the term of this Agreement. Matters within the scope of representation not covered by this Memorandum of Understanding shall not be changed until the City has given prior notice to and met and conferred with DMSA.

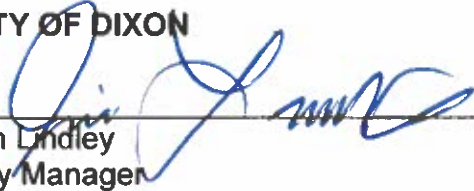
11.2 Alteration

- 11.2.1 No agreement, alternation, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall in any manner be binding upon the parties hereto unless made and executed in writing by all parties hereto, and if required, approved and implemented by the City and DMSA.
- 11.2.2 In the event of an unanticipated catastrophic decline in revenue or increase in expenditures, defined as a single event which changes revenue or expenditure by twenty percent or more in a single fiscal year, City and DMSA agree to meet and confer regarding methods to weather the event by means including, but not limited to, layoffs, deferral of implementation of one or more provisions of this contract, increased revenue generation, etc.

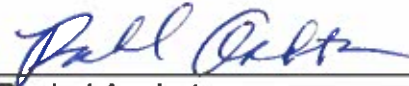
ARTICLE XII
APPROVAL AND RATIFICATION

12.1 This Memorandum of Understanding shall become effective when approved by Resolution of the Dixon City Council and ratified by DMSA membership.

CITY OF DIXON



Jim Lindley
City Manager

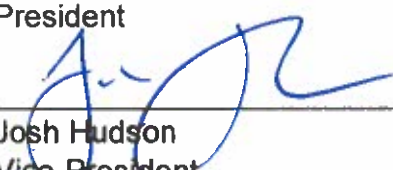


Rachel Ancheta
Human Resources Director

DIXON MID-MANAGER'S AND SUPERVISOR'S ASSOCIATION



Austin George
President



Josh Hudson
Vice President