SIDE LETTER OF AGREEMENT

Between

City of Santa Cruz Police Management Association and the City of Santa Cruz

June 16, 2020

City of Santa Cruz Police (PMA) and the City of Santa Cruz (City) are parties to a Memorandum of Understanding (MOU) that expires on March 3, 2023.

Having met and conferred in good faith in accordance with the Meyers Milias Brown Act, the parties wish to memorialize their Agreement and modify their MOU with respect to furloughs effective June 27, 2020 through June 25, 2021. The parties agree to re-open this agreement on December 18, 2020 to meet and confer over the continuation of the terms in this Agreement.

I. Ongoing Meetings and Information Sharing

A. The City agrees to keep the PMA Unit informed about any significant changes in budget revenues &/or surpluses, including covid-19 related grants or reimbursements and savings from PMA retirements, and deficits, for the duration of the agreed-upon furlough period. The first update will be within one month after the September 2020 budget update presented to the City Council. The parties will meet no less than quarterly there-after during the term of this Agreement.

II. Reduced Work Week and Other Provisions

- A. All represented employees will have their pay reduced by 9% through a reduction from a 40-hour workweek to a 36.4-hour workweek. Specific schedules will be determined in accordance with Santa Cruz Police (SCPD) rules and regulations
- B. No reduction of employment benefits, including PERS contributions, health, or leave benefits, will result from implementation of the furlough.
- C. The furlough will not affect retirement service credit accruals for employees working the minimum number of hours required to earn a full year's service credit, as established by CalPERS. Employees working less than the minimum number of hours required to earn a full year's service credit will earn service credit in accordance with CalPERS regulations. Currently, the minimum number of hours required by CalPERS to earn a full year's service credit is 1,720. The parties agree to re-open this Agreement if CalPERS regulations change on the determination of what qualifies as a full years service credit.

- D. The reduced work week will not affect the calculation of seniority.
- E. No annual or other paid leave may be used to restore the work week to forty (40) hours.
- F. In the event a member of the PMA retires before June 25, 2021 that position will be frozen subject to the approval of the Chief of Police. The City will then calculate a prorated budgeted amount for that employee's position to be used as a credit towards reducing or removing the 9% furlough. The parties will discuss this credit during the reopener negotiations in December 18, 2020.
- G. In recognition of the inability of members of the PMA to utilize their Holiday, Vacation and Management Leave accrual banks, the caps on each bank will be as follows:
 - 1) Holiday Hours Banked: Effective the first day of the pay period that includes July 1, 2020 any previous banked hours will be allowed to be carried over as described. Those designated hours must be used within thirty (30) months from July 1, 2020 and concluding on December 31, 2022 or they will expire and not be eligible to be cashed out.
 - 2) Management Vacation: Any unused Management Vacation Hours prior to the pay period that includes January 1, 2021 will be allowed to be carried over. Those designated hours must be used within eighteen (18) months beginning January 1, 2021 and concluding on June 30, 2022 or they will expire.
 - 3) Vacation Hours: The vacation accrual cap will be increased by 187.2 hours (equivalent to 9% furlough) for thirty (30) months beginning July 1, 2020 and concluding on December 31, 2022, thereafter the vacation cap will be in accordance with Section 10.02 of the MOU.
- H. For the duration of this agreement, the reinstatement period defined by Santa Cruz Personnel Rule 9 (Layoff Policy and Procedure) will be extended to thirty-six (36) months.
- I. The language of any section of the MOU not modified by this agreement shall remain in effect for the duration of the term of the original MOU.

| Police Management Association Police Management Association Police Management Association G-17-2020 Bernie Escalante, Deputy Chief | City of Santa Cruz Lisa Murphy, Director of Human Resources |
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| Jose Garcia, Lieutenant 06/17/2020 | Tim Davis, Burke, William & Sorensen LLP |
| Date | Date |