

**MEMORANDUM OF UNDERSTANDING
BETWEEN
FIRE ADMINISTRATORS

AND

CENTRAL COUNTY FIRE DEPARTMENT**

April 1, 2008 - March 31, 2013

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**MEMORANDUM OF UNDERSTANDING
BETWEEN
FIRE ADMINISTRATORS
AND**

CENTRAL COUNTY FIRE DEPARTMENT

The Central County Fire Department Administrator representatives and representatives of the City of Burlingame and Town of Hillsborough have met and conferred in good faith regarding wages, hours and other terms and conditions of employment.

SECTION 1 RECOGNITION

The Central County Fire Department Fire Administrators, hereinafter referred to as the "Fire Administrators", is recognized as the majority representative for its members assigned to the following classifications:

56-Hour Shift Battalion Chief
40-Hour Division Chief
40-Hour Battalion Chief
40-Hour Fire Marshal

All further references in this document to the term "City" shall mean the City of Burlingame and the Town of Hillsborough.

All further references in this document to the term "Department" shall mean the Central County Fire Department.

1.1 Reclassification of 40-Hour Assistant Chiefs

The classification title of 40-hour Assistant Chief shall be reclassified to the title of Division Chief and/or Fire Marshal. The Division Chief and Fire Marshal's badge designator shall indicate 3 gold crossed bugles.

SECTION 2 NO DISCRIMINATION

The City agrees to not discriminate against an employee because of political opinion or affiliations, or because of race, creed, color, religious belief, age, sex, sexual orientation, marital status or physical or mental disability which does not prevent an employee from meeting the minimum standards established by the City and the Department.

SECTION 3 SALARY PLAN

3.1 Salary Increases

Between November 1 and November 30 of each year, designated members of the Fire Administrators

and City will meet to jointly conduct a benchmark salary survey. The salary survey will take into consideration the effective salaries for the first pay period of the coming year. If a surveying agency does not have a determined and/or approved salary for a benchmark classification of Shift Battalion Chief for the coming year, the salary that is in effect on November 30th when the survey is completed will be used for salary comparison purposes. Any adjustment that results from the survey will apply to all classifications covered by this agreement. The Salary Survey shall reflect the cash compensation (examples include base salary, city-paid deferred compensation, education incentives, longevity incentives, EMT incentive and holiday pay) paid to ten (10) benchmark agencies (Palo Alto, Foster City, San Bruno, Redwood City, San Mateo, Menlo Park Fire District, South San Francisco, Daly City, Belmont-San Carlos and Millbrae). In the event that non-cash benefits are compared to cash compensation benefits, a reasonable cash value will be assigned to the non-cash benefits.

Effective December 24, 2007, the salary will be increased by 6.13% to 4th in the market place.

Effective the first pay period including January 1, 2009, the salary will be increased to 4th in the market place (using survey in Section 3.1 of the MOU).

Effective the first pay period including January 1, 2010, the salary will be increased to 4th in the market place (using survey in Section 3.1 of the MOU).

Effective the first pay period including January 1, 2011, the salary will be increased to 4th in the market place (using survey in Section 3.1 of the MOU).

Effective the first pay period including January 1, 2012, the salary will be increased to 4th in the market place (using survey in Section 3.1 of the MOU).

The minimum increase shall be 2.0%, the maximum increase shall be 5.0%. This shall apply to each year a salary survey is conducted

3.2 FLSA

In accordance with the 7K exemption, non-exempt 56-hour fire battalion chiefs shall receive 1.5 hours additional pay per week (i.e. 3.0 hours of pay per biweekly pay period).

3.3 Exempt Employees

Division Chiefs and 40-hour Battalion Chiefs shall be considered exempt employees under current FLSA standards. Division Chiefs shall be paid an 8.5% differential above Battalion Chief base salary to be included in their base salary as defined in Appendix A.

3.4 Deferred Compensation

Effective 4/1/04 deferred compensation was eliminated. The base salary as indicated in Appendix A is stipulated to include the \$30 per biweekly pay for deferred compensation.

SECTION 4 EDUCATION PAY

Effective 4/1/04, education pay was eliminated. The base salary as indicated in Appendix A is stipulated to include \$885 for education incentive.

4.1 EMT

Employees shall maintain certification as EMT. The base salary as indicated in Appendix A is stipulated to include a 3.5% differential for EMT certification.

4.2 Tuition Reimbursement

The City will reimburse up to \$3,000 per calendar year for department-approved tuition expenses, conference registration fees, and job-related classes, course work, books and related computer programs. General education courses towards an Associate or Bachelors degree shall be considered job-related.

SECTION 5 DAYS AND HOURS OF WORK

5.1 Work Schedule (40 hour)

The regular workweek for employees occupying a full time position in the classification of Division Chief, Staff Battalion Chief and Fire Marshal shall consist of a four-day 40-hour schedule.

5.2 Work Schedule (56 hour)

The regular work schedule for employees occupying a full time position in the classification of Shift Battalion Chief shall be an average of 56 hours on existing work schedules.

The work schedule shall consist of two (2), twenty-four (24) hour on duty periods within a six (6) day cycle to be worked in accordance with the following chart:

X = 24 hour on-duty period
O = 24 hour off-duty period
XXOOOO

5.3 Starting Time

The regular starting time for Battalion Chiefs assigned to a fifty-six (56) hour workweek shall be 0800 and for work performed prior to such regular starting times or after such quitting times, overtime shall be paid. The regular work schedule for Division Chiefs and the Fire Marshal assigned to a 40-hour workweek shall be 4 ten hour days or an alternate schedule as approved by the Fire Chief or his/her designee.

5.4 Overtime Definition

Overtime is authorized time worked beyond the regularly scheduled workweek described in Section 5.2 and shall be paid to 56-hour work week employees only. Overtime shall be compensated at one and one-half (1-1/2) times the employee's regular rate of pay for every hour of overtime worked. Payment for overtime shall not be made unless authorized by the Fire Chief or his/her designee.

40-hour workweek personnel shall not be eligible for overtime. In the event a 40 hour workweek employee is assigned to cover a 56-hour workweek shift over and above his/her assigned work hours, he/she shall be paid straight time at their normal 40-hour rate.

5.5 Mandatory Overtime

Should a 56-hour workweek employee be mandated to work in an overtime situation, the employee shall be compensated at one and one half (1-1/2) times the employee's regular rate of pay. A minimum of four (4) hours of overtime shall be paid for emergency call back.

5.6 Common Mess

The Common Mess Policy as defined in Special Notice 2-84 dated December 10, 1984 shall be added to the Policies and Standards Manual and remain in effect for the duration of this Memorandum of Understanding.

SECTION 6 HOLIDAYS

6.1 Holiday Benefit for Forty (40) Hour Workweek Employees

The holidays to be observed are as follows and employees who work a 40-hour workweek schedule shall not be required to be on duty unless the City has so indicated:

New Year's Day	January 1
Martin Luther King's Birthday	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Columbus Day	Second Monday in October
Veteran's Day	November 11
Thanksgiving Day	4th Thursday in November
Day after Thanksgiving	4 th Friday in November
Christmas Day	December 25
New Year's Eve Day	December 31

40-hour employees will receive an additional two floating holidays each year. Holidays shall also include every day proclaimed by the President of the United States, Governor of California or governing body of the City as a public holiday and every day declared as a national day of mourning or special day, when approved by the City. When a holiday falls on Sunday, the following Monday shall be observed. If the holiday falls on Saturday, the previous Friday shall be observed. If the holiday falls on an employee's regularly scheduled time off, compensatory time off shall be granted. It is understood that employees working a 40 hour/4 day a week schedule shall receive 10 hours for each of these holidays.

6.2 Holiday Pay for Fifty-Six (56) Hour Workweek Employees:

Employees who work a fifty-six (56) hour workweek schedule shall be entitled to fourteen (14) holidays:

New Year's Day	January 1
Martin Luther King's Birthday	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Admissions Day	September 9
Columbus Day	Second Monday in October
Veteran's Day	November 11
Thanksgiving Day	4th Thursday in November
Day after Thanksgiving	4 th Friday in November
Christmas Eve	December 24
Christmas Day	December 25
New Year's Eve Day	December 31

For purposes of shift personnel, payment is calculated on twelve (12) hours for each holiday for a total of 168 hours. These holidays are separate from the vacation benefits listed in Section 7. Holiday pay shall be prorated and added to each pay period.

SECTION 7 VACATION & ADMINISTRATIVE LEAVE

7.1 Vacation Eligibility

- 7.1.1 Both fifty-six (56) hour employees and forty (40) hour per week employees shall be entitled to annual vacation leave with pay.
- 7.1.2 Employees will not be allowed to use vacation leave prior to actual accrual.
- 7.1.3 In the event an employee of the Fire Department regularly assigned to a twenty-four (24) hour duty shift is thereafter assigned to duty not requiring performance of work on a twenty-four (24) hour duty shift basis, vacation leave for such employee shall be credited at the applicable rate of accrual set forth for the duration of such non-twenty-four (24) hour duty shift assignments.

7.2 40 Hour Employee Vacation Schedule

YEARS OF SERVICE	BI-WEEKLY ACCRUAL RATE	ANNUAL HOURS OF VACATION	ADDITIVE AMOUNT
Entry	3.69	96	
5 th anniversary	4.93	128	+40
10 th anniversary	6.16	160	
11 th anniversary	6.16	160	+8
12 th anniversary	6.16	160	+8
13 th anniversary	6.16	160	+8
14 th anniversary	6.16	160	+8
15 th anniversary	7.39	192	+8
20 th anniversary	8.62	224	+16

7.3 56 Hour Employee Vacation Schedule

YEARS OF SERVICE	BIWEEKLY ACCRUAL RATE	ANNUAL HOURS OF VACATION	ADDITIVE AMOUNT
Entry	3.69	144	
3rd Anniversary	3.69	144	+60
5th Anniversary	4.62	192	
10th Anniversary	5.54	240	
11th Anniversary	5.54	240	+12
12th Anniversary	5.54	240	+12
13th Anniversary	5.54	240	+12
14th Anniversary	5.54	240	+12
15th Anniversary	7.38	288	+12
20th Anniversary	9.23	336	+24

7.4 Vacation Accumulation

Earned vacation time may be accumulated to a maximum of two (2) times the employee's annual accrual. Employees who reach maximum accrual may request to receive a payout of up to 40 hours of vacation on the following pay period.

7.5 Vacation during leave of absence

Effective July 1, 2001, employees shall continue to accrue vacation as long as they are on a paid leave-of-absence. An employee who is on unpaid leave-of absence will not accrue vacation.

7.6 Holiday During Vacation

In the event one (1) or more holidays fall within an annual vacation leave of an employee who receives holiday time off, such holidays shall not be charged as vacation leave.

7.7 Administrative Leave

40-hour Division Chiefs and 40-hour Battalion Chiefs shall receive 84 hours of administrative leave annually. This time can be taken as time off or pay at the employee's hourly rate.

Accrual of up to two (2) times the annual allotment is acceptable. An employee may submit up to a maximum of one year of accrual for payment. Payout may be requested with the first pay period of December and/or the final pay period of June each calendar year. The dollar amount may also be applied to the employee's deferred compensation on a pretax basis at the employee's option.

SECTION 8 SICK LEAVE

8.1 Sick Leave Defined

Sick Leave is absence from duty with pay because of an employee's illness or injury, exposure to contagious disease, necessary medical, dental or optical examinations or treatments for the employee

or attendance upon a member of his/her immediate family who is seriously ill and requires care by the employee.

8.2 Sick Leave Accrual

56-hour unit members shall accrue sick leave at the rate of one hundred and eighty (180) hours (seven and one-half (7.5) 24-hour shifts) per calendar year. All full time 40-hour unit members shall accrue sick leave at the rate of one hundred and twenty (120) hours per calendar year (4.62 hours bi-weekly). There shall be no maximum limit on the number of hours of sick leave an employee can accrue. An employee who is on paid leave shall continue to earn sick leave credit. An employee who is on leave without pay shall not accrue sick leave credit. Sick leave shall accrue during an absence that is a result of occupational disability during employer service.

8.3 Sick Leave Usage

Using sick leave with pay shall be granted to employees to a maximum of the hours accrued. Sick leave shall not be considered a right that an employee may use at his/her discretion, but shall be allowed only in case of necessity or actual personal sickness or disability.

8.3.1 Sick Leave Incentive Plan

The Sick Leave Incentive Plan below shall only be implemented when the average sick leave usage for the bargaining unit is equal to or less than 2.4 shifts per employee. If the average sick leave usage is more than 2.4 shifts then the Sick Leave Incentive Plan will not be implemented for that calendar year. Long term sick leave (6 or more shifts for the same illness or injury) will be excluded from the calculation of the average.

- A. For 56-hour unit members, two (2) shifts of vacation time or pay at straight time shall be awarded for use of one (1) shift of sick leave or less. Members shall receive one (1) shift of vacation time or pay at straight time for the use of two (2) shifts of sick leave or less.
- B. For 40-hour unit members, four (4) days of vacation time determined by work schedule (example: a 4 day -10 hour schedule would be at 10 hours per day) or pay at straight time shall be awarded for use of one (1) day of sick leave or less. Members shall receive two (2) days of vacation time or pay at straight time for the use of three (3) days of sick leave or less.

8.4 Holiday During Sick Leave

For a 40-hour workweek employee, in the event one (1) or more holidays fall within a period of such employee's illness or sick leave, such holiday shall not be charged against the employee's sick leave balance.

8.5 Sick Leave Upon Retirement

Upon death, full service retirement, or disability retirement, an employee shall be paid up to one-half (1/2) of 1200 hours of accumulated sick leave to a maximum payout of 600 hours for 56-hour work week employees, or up to one-half (1/2) of 860 hours of accumulated sick leave to a maximum payout of 430 hours for 40-hour per week employees. Payment of unused sick leave hours shall be made at the employee's actual hourly rate of pay.

40-hour employees employed by the City prior to 9/1/03 shall be allowed to convert their sick leave hours to the 56-hour accumulation rate upon death, service retirement or disability retirement. Any monetary award will be compensated at the 56-hour equivalent rate.

8.6 Bereavement Leave

In the event of a death in the immediate family of an employee, absence from duty shall be allowed not to exceed seventy-two (72) consecutive hours. For the purposes of this rule, "immediate family" means father, mother, husband, wife, son, daughter, sister, brother, grandparents, mother-in-law, father-in-law or domestic partner.

In the event of the death of a relative not a member of the immediate family, absence from duty shall be allowed not to exceed twenty-four (24) consecutive hours. Special consideration will also be given to any other person whose association with the employee was similar to the aforementioned relationship.

Such absences shall not be charged to sick leave.

SECTION 9 HEALTH AND WELFARE

9.1 Medical

Effective January 1, 2008 the City shall pay the maximum contribution towards the premium costs for eligible employees and their dependents to the insurance carrier for the plan selected by each employee, in accordance with the terms and conditions prescribed by the carrier. The maximum contribution shall not exceed the three party basic premium for Blue Shield HMO as offered by the CalPERS health program.

During the term of the contract, the maximum city contribution to the employee's medical premium shall equal the three party basic premium for Blue Shield HMO as offered by the CalPERS health program. Should there be any changes to the availability of Blue Shield HMO the Fire Administrators and City will mutually agree on a replacement plan.

Retired employees shall receive the same maximum city contribution for medical premiums as active employees.

Employees who retire with a minimum of five (5) years of service with the department will receive a retiree medical benefit equivalent to the amount necessary for actual enrollment in single, two-party or family coverage, up to the same maximum department contribution for medical premiums as active employees.

Retired employees shall receive the same maximum department contribution for medical premiums as active employees unless the retiree medical contribution has been modified by the implementation of the 3%@50 benefit per the terms of this agreement.

9.2 Dental

The City agrees to pay \$40 per month per employee and \$40 monthly per dependent for coverage into the Hillsborough Dental Plan. Retiree benefits are not available.

9.3 Vision

Effective January 1, 2008 employees and their dependents shall be covered by the City of Burlingame Vision Care Reimbursement Plan.

9.4 Life

9.4.1 The City agrees to provide life insurance to the extent of one hundred thousand dollars (\$100,000) coverage for members of the bargaining unit.

9.4.2 During the term of this Agreement, the City agrees to pay for increases in the premiums for insurance, as described herein, up to the dollar amount listed above. Upon expiration of this Agreement, the City will continue paying the dollar amount of premiums then being paid unless and until there is an agreement to pay a higher amount.

9.5 Flexible Health Spending Account (Section 125)

During the term of this contract the City will provide a Flexible Medical Spending Account option that employees may use to pay qualified medical and dependent care expenses with pre-tax dollars.

9.6 Long Term Disability

Effective 07/01/02 the City agrees to pay for the premium for long-term disability coverage to Association members' appropriate LTD carriers.

SECTION 10 ANNUAL CLOTHING ALLOWANCE

Effective July 1, 2004 employees will receive \$945 per fiscal year for clothing allowance. Effective July 1, 2011 employees will receive \$995 per fiscal year for clothing allowance. This payment shall be prorated and added to each paycheck.

SECTION 11 EXCHANGE OF ON DUTY TIME

Upon the approval of the Fire Chief or his designee, represented employees shall be allowed to exchange on-duty time.

SECTION 12 PROBATIONARY PERIOD

12.1 All original appointments shall be tentative and subject to a probationary period of eighteen (18) months of actual service from the date of appointment. Upon satisfactory completion of such probationary period, employees shall be appointed as regular employees.

12.2 Employees may be suspended or separated from the City at any time during the probationary period, except as otherwise provided by law.

12.3 All promotional appointments shall be tentative and subject to a probationary period of one (1)

year from date of appointment. Upon satisfactory completion of such probationary period, employees shall be appointed as regular employees.

12.4 Any regular employee rejected during the probationary period following a promotional appointment, or prior to the conclusion of the probationary period, shall be reinstated to the position from which they were promoted unless conditions warrant their dismissal.

SECTION 13 LAYOFF AND RE-EMPLOYMENT

13.1 Layoffs Impacting Permanent Employees

Permanent employees may be laid off, without prejudice, due to lack of funds or curtailment of work. No permanent employee, however, may be separated while there are temporary employees serving in the same class or position in the City service, unless that employee has been offered the temporary work.

13.2 Layoff and Re-Employment

When a department head is instructed by the City to reduce the number of employees, layoffs shall be made in accordance with the following rules:

13.2.1 Layoffs shall be by job classification according to reverse order of seniority.

13.2.2 An employee may demote or transfer to a vacant position for which he/she possesses the necessary skills as determined by the minimum qualifications and job specifications for the position.

13.2.3 The name of each employee laid off shall be entered on a Reemployment List in order of seniority for three (3) years.

13.3 Former employees appointed from a re-employment eligibility list shall be restored all rights accrued prior to being laid off such as sick leave, vacation credits and credit for years of service. However, such re-employed employees shall not be eligible for benefits for which they received compensation at the time of or subsequent to the date they were laid off.

13.4 The City further agrees to meet and confer and reach mutual agreement prior to said layoff concerning all ramifications of the proposed layoff.

SECTION 14 OUTSIDE EMPLOYMENT

14.1 Outside employment by a City employee shall be a privilege subject to the approval of the Chief Administrative Officer or the Fire Chief.

14.2 Outside employment shall be limited to a maximum of twenty (20) hours per week, days off excepted.

SECTION 15 TRANSPORTATION SYSTEMS MANAGEMENT (TSM)

The TSM Program will be placed in the Policies and Standards Manual. The department reserves the right to amend, modify or terminate this program at any time.

SECTION 16 SENIORITY

16.1 Definition of Seniority

Seniority shall be determined by continuous service in the Fire Department calculated from the date of employment. Continuous service shall be broken by only unauthorized leave of absence, resignation, discharge or retirement. Employees with the same employment date shall be assigned to the seniority list in the order of their appointment.

SECTION 17 RETIREMENT

17.1 The City shall maintain a contract with the Public Employee's Retirement System for retirement benefits based upon the 3% @ 55 Local Safety Plan (GC Section 21362.2) for Burlingame and Hillsborough employees.

17.2 The City shall maintain Credit for Unused Sick Leave. The employee can elect to convert any unused sick leave to service credit upon retirement (2,000 hours of sick leave equals one year of service credit) (GC Section 20965). (See section 8.5 for conversion)

17.3 The City shall maintain Cancellation of Payment for Optional Service Credit Upon Retirement for Industrial Disability (GC Section 21037).

17.4 The City shall maintain Fourth Level of 1959 Survivor Benefits (GC Section 21574).

17.5 The City shall maintain Post-Retirement Survivor Allowance (GC Section 21624, 21626 and 21628) continuance level of one-half (1/2) of retired member's unmodified allowance payable to surviving spouses, which upon the death of a retiree will not cease upon remarriage of the surviving spouse (GC Section 21635).

17.6 The City shall maintain One-Year Final Compensation (GC Section 20042).

17.7 Effective December 28, 1992, employees' PERS contributions shall be administered in accordance with IRS Code Section 414(h)(2); the employee shall pay the nine percent (9%) employee contribution.

17.8 The City shall maintain Military Service Credit as Public Service (GC Section 21024).

17.9 The City shall maintain Prior Service Credit (GC Section 20055).

17.10 The City shall maintain Retired Death Benefit (\$500) (GC Section 21620).

17.11 The City shall maintain Death Benefit Continues, death benefits will continue to be paid to

the spouse of a member who died prior to retirement should the spouse remarry (GC Section 21551).

17.12 In the event the Department does not agree to contract for the 3% @ 50 benefit per Appendix B of this agreement, the City shall maintain a contract with the Public Employee's Retirement System for retirement benefits based upon the 3% @ 55 Local Safety Plan (GC Section 21362.2).

SECTION 18 GRIEVANCE PROCEDURE

18.1 Definitions

18.1.1 "Days" as used herein shall be days when the City Hall of the City of Burlingame is open for business.

18.1.2 "Grievance" is any dispute over the interpretation or application of any provision of this Memorandum of Understanding, or of rules or regulations governing personnel practices or working conditions, or of the practical consequences of a City rights decision on wages, hours and other terms and conditions of employment by any employee adversely affected thereby.

18.1.3 "Grievant" is an individual employee and/or employee organization adversely affected by any dispute over the interpretation or application of any provision of this Memorandum of Understanding.

18.2 Steps

18.2.1 Step 1 - The grievant shall discuss the grievance with the Deputy Chief within ten (10) days of actual or constructive knowledge of the existence of the grievance. The Deputy Chief shall orally answer the grievance within two (2) days.

18.2.2 Step 2 - If the grievant is dissatisfied with the Deputy Chief's answer and desires to pursue the matter, the grievance shall be submitted in writing to the Fire Chief within ten (10) after receipt of the Deputy Chief's oral answer.

The written grievance must state the following: Name, Classification, Section or sections of Memorandum of Understanding allegedly violated and Remedy sought.

Within ten (10) days of receipt of the written grievance, the Fire Chief will meet with the grievant to discuss the grievance. The Fire Chief shall give a written answer to the grievant within five (5) days after the date of the Step 2 meeting.

18.2.3 Step 3 - If the grievance is not resolved at Step 2, it may be appealed to the Chief Administrative Officer of the Department within ten (10) days after the receipt of the Step 2 answer. Said appeal shall be in the form of a written request to proceed to Step 3, along with the written grievance.

The Chief Administrative Officer or his/her designee shall meet with the grievant to discuss the grievance. The Chief Administrative Officer or his/her designee shall give a written answer to the grievant within ten (10) days after the date of the meeting.

18.2.4 Step 4 - If not satisfied with the decision at Step 3, the grievant, within ten (10) days after receipt of the Step 3 response, may request in writing that the grievance be submitted to mediation. The parties shall mutually agree to proceed with mediation within five (5) days after the receipt of the request by the grievant.

The State Mediation and Conciliation Service shall be contacted to provide a mediator. Both parties must mutually agree to accept the mediator provided. In the event either party does not accept the provided mediator another name shall be requested.

The mediator shall work with both parties to achieve a mutually acceptable settlement. The mediator shall be allowed to caucus with each party to explore settlement options. If no settlement occurs, the mediator can submit a written opinion on the likely outcomes if the case goes to arbitration. The mediator will have no power to add to, subtract from, change or modify any terms of this Agreement. The City shall give a written answer to the grievant within five (5) days after the end of mediation if no written opinion is forthcoming or within five (5) days after receiving the mediator's written opinion.

18.2.5 Step 5 - If not satisfied with the decision at Step 4, the grievant, within ten (10) days receipt of the written decision at Step 4, shall inform the City in writing of their intent as to whether or not the grievance will be submitted to arbitration.

An arbitrator shall be selected by mutual agreement. If no agreement can be reached within five (5) days of the notice, the parties shall request of the American Arbitration Association or the State Mediation and Conciliation Service a list of five (5) names of persons experienced in hearing grievances. Each party shall alternately strike a name until only one name remains. The order of strike shall be determined by lot. The decision of the arbitrator shall be final and binding upon all parties.

The arbitrator will have no power to add to, subtract from, change or modify any terms of this Agreement.

The fees and expenses of the arbitrator and each hearing shall be borne equally by the parties. If an individual pursues arbitration without the Fire Administrators participation, said individual shall share equally in the cost with the City. All other expenses shall be borne by the party incurring them.

18.3 Failure to Pursue

Any failure by a grievant to pursue his/her grievance to the next step within the time limits shall be a voluntary abandonment of the grievance and the grievant shall not thereafter be entitled to pursue said grievance. The grievance will be deemed settled.

Any failure by the City to respond within the time limits set forth shall entitle the grievant to pursue his/her grievance to the next step.

18.4 Representation

A grievant shall be entitled to be represented by a member of the Fire Administrators and/or his/her attorney at any grievance meeting or discussion described in any one of the steps of the grievance

procedure; provided, however, in no event shall more than one City employee, in addition to the grievant, attend such grievance meetings. The limitations of this section shall apply to employees on paid release time and not to witnesses who may be necessary to the grievance.

Neither the grievant nor his/her representative shall suffer loss of pay for attending the meetings described in the steps of the grievance procedure.

Except for grievance meetings described in the steps of the grievance procedure, neither grievant nor any representative of the grievant shall be entitled to use regular work time to process the grievance.

18.5 Other Procedures

The grievance procedure set forth herein shall supersede and replace any other grievance or appeal procedures otherwise available to represented employees and are deemed sufficient to satisfy procedural due process requirements for such hearings and/or appeals. To the full extent permitted or allowed by State and Federal law, by submitting the grievance to arbitration, the grievant expressly waives any right to statutory remedies or to the exercise of any legal process other than as provided by this grievance/arbitration procedure. Both the City and Fire Administrators recognize that the decision rendered in the arbitration process is binding on all parties.

SECTION 19 DISCIPLINE

19.1 Notice

Employees being disciplined shall be provided with a written notice of such action and given a reasonable amount of time to prepare a response and an opportunity to respond in person or in writing.

19.2 Suspension Without Pay

The Chief Administrative Officer may suspend without pay an employee from his/her position at any time for disciplinary purposes with just cause. Suspension without pay shall not exceed 30 calendar days without confirmation by the department's governing board. Such suspension shall be in accordance with applicable State and Federal laws. The employee shall be entitled to appeal the action in accordance with the grievance procedure of this Agreement.

19.3 Demotion

No permanent employee shall be demoted for disciplinary reasons without just cause, and no employee shall be demoted to a position for which he/she does not possess the necessary skills as determined by the minimum qualifications and job specifications for the position. The City shall give written notice of demotion to the employee ten (10) days before the effective date of the demotion. The employee shall be entitled to appeal the action in accordance with the grievance procedure of this Agreement.

19.4 Dismissal

A permanent employee may be discharged for just cause. Such discharge shall be in accordance with applicable State and Federal laws. The employee shall be entitled to appeal the action in accordance with the grievance section of this Agreement.

19.5 No employee shall be suspended or discharged without first receiving a warning, except in cases where such warnings are not considered part of a progressive system of discipline.

SECTION 20 RIGHTS

20.1 City Rights

The City and the Department hereby retains and reserves unto themselves, without limitation, all powers, rights, authority, duties and responsibilities conferred upon and vested in it by the Constitution of the United States, the Constitution of California, the laws of the United States, the laws of California and the ordinances and resolutions of the City and shall be limited only by the express and specific terms of the Memorandum.

20.2 Employee Rights

Nothing contained in this memorandum of understanding shall prohibit the Fire Administrators from meeting and conferring on matters within the scope of representation as provided by law. The City acknowledges the employees and the Fire Administrators retain all the rights under Section 3500 et. Seq. of the California Labor Code.

SECTION 21 EFFECT OF AGREEMENT

This Memorandum of Understanding shall supersede any prior Memoranda of Understanding, rules, regulations or ordinances in direct conflict with the provisions hereof. The City acknowledges the employees and the Fire Administrators retain all the rights under Section 3500 et. Seq. of the California Labor Code.

SECTION 22 MODIFICATION

There will be no alteration or modification of any provision contained in this Memorandum without the written consent of all parties hereto.

SECTION 23 TOTAL AGREEMENT

This Memorandum of Understanding constitutes a full and complete agreement by the parties and contains all of the matters upon which the parties reached agreement. Any matter not contained in this Memorandum has not been agreed upon and, if raised in negotiations, was dropped by the party raising it as part of a good faith attempt to reach agreement.

For a period of two (2) years following the ratification of this agreement, any item brought to the Fire Chief that directly impacts provisions hereto will be negotiated by mutual agreement. Other issues brought forward by either party that have been established or substantiated by past practice, prior written policies, procedures or guidelines or other similar documentation shall be discussed by the parties and the parties will meet and confer on any changes and/or their impact on the Department.

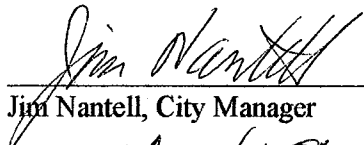
SECTION 24**SEPARABILITY OF PROVISIONS**

Should any section, clauses 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. In the event of such invalidation, the parties agree to meet and confer concerning substitute provisions for provisions rendered or declared illegal.


SECTION 25**TERM**

The term of this agreement is five (5) years, beginning on April 1, 2008 through March 31, 2013.


Either party may initiate the Meet and Confer process for the next subsequent Memorandum of Understanding; the moving party shall notify the other party in writing no earlier than one hundred twenty (120) days prior to the expiration of this MOU. The Meet and Confer process shall begin no later than 90 days prior to the expiration of this MOU.



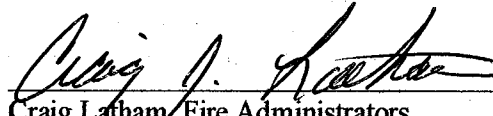
Jim Nantell, City Manager
Date: 1/7/08



John Kammerer, Fire Administrators
Date: 1-6-09



Anthony Constantouros, City Manager
Date: 1-6-09



Craig Latham, Fire Administrators
Date: 12-30-08

APPENDIX A

FIRE ADMINISTRATOR UNIT SALARY SCHEDULE

Division Chief	Bi-weekly	5269.06	5531.75	5808.61	6098.55	6404.84
	Monthly	11,416.30	11,985.46	12,585.32	13,213.53	13,877.15
	Annually	136,995.56	143,825.50	151,023.86	158,562.30	166,525.84
Fire Marshal	Bi-weekly	5269.06	5531.75	5808.61	6098.55	6404.84
	Monthly	11,416.30	11,985.46	12,585.32	13,213.53	13,877.15
	Annually	136,995.56	143,825.50	151,023.86	158,562.30	166,525.84
Battalion Chief - EMT	Bi-weekly	4851.59	5094.66	5356.26	5606.96	5903.44
	Monthly	10,511.78	11,038.43	11,605.23	12,148.41	12,790.79
	Annually	126,141.34	132,461.16	139,262.76	145,780.96	153,489.44

Appendix B

18.15 3% @ 50 Benefit Enhancement

One time during the term of this agreement, the City will order an actuarial evaluation for the 3% @ 50 benefit. If the "Base Retirement Rate" of the 3% @ 50 benefit is equal to or less than the "Base Retirement Rate" as defined below, the agencies will implement the 3% @ 50 benefit.

The "Base Retirement Rate" is calculated by adding the July 1, 2007 rate of the 3% @ 55 benefit for the City of Burlingame and Town of Hillsborough. The "Base Retirement Rate" is as follows:

- City of Burlingame 3% @ 55 rate = 16.1222%
- Town of Hillsborough 3% @ 55 rate = 28.427%
- Base Retirement Rate: $(16.1222\% + 28.427\%) = 44.549\%$
-

The "Base Retirement Rate for the 3% @ 50 benefit will be determined by adding the rate of the 3% @ 50 benefit for the City of Burlingame and Town of Hillsborough.

If the City and Town merge their respective CalPERS fire retirement accounts into one retirement contract with CalPERS, the parties will meet and confer on the impact such a retirement plan merger may have on the base retirement rate of future benefits and modify the formula accordingly.

18.16 Fire Department Benefit Purchase Option

When the actuarial evaluations are received from CalPERS, the City and Town will meet with the Union and review the cost data. If the 3% @ 50 base retirement rate is no more than 5% higher than the 3% @ 55 "base retirement rate" the Union can elect to pay for one-half of the difference. Such payment will be deducted from salary and will be effective as of the implementation date of the 3% @ 50 benefit.

The following table illustrates the Union Benefit Purchase Option:

3% @ 55 Base Retirement Rate	3% @ 50 Base Retirement Rate	Increase in Base Retirement Rate	Union Benefit Purchase Cost (salary deduction)
44.549%	45.549%	1%	.5%
44.549%	46.549%	2%	1%
44.549%	47.549%	3%	1.5%
44.549%	48.549%	4%	2%
44.549%	49.549%	5%	2.5%

The percentage paid by the membership under the Union Benefit Purchase option will remain fixed and unchanged for a period of 3 years (36 months). Unless the Department determines otherwise, the payment will be made on an after-tax payroll deduction. At the end of the 3 years (36 months), the City and Town will pay for the employer cost of the retirement plan.

Any percentage of salary paid by the membership for the 3% @ 50 benefit will be added back to base salary when performing salary surveys per section 3.1 of this agreement. The deduction

will be on an after-tax basis.

32.16 Retiree Medical Contribution

Current employees and those hired prior to the implementation of the 3% @ 50 benefit will have a retiree medical contribution that equals the amount received by active employees of the Union. Employees hired on or after the date 3% @ 50 benefit is enacted with CalPERS will receive retiree medical contributions based on years of service with the fire department.

The retiree medical contribution for employees that have a service retirement will be as follows:

Years of Service	Medical Contribution
0 - end of 9th year of service	Minimum monthly amount as governed by the CalPERS Health System.
10 years to the end of the 14th year of service	50% of the lowest premium for employee plus one dependent.
15 years to the end of the 19th year of service	75% of the lowest premium for employee plus one dependent.
20 years of service or more	100% of the lowest premium for employee plus one dependent.

Employees hired after the implementation of 3% @ 50 and that have an industrial disability retirement will have a retiree medical contribution as follows:

Years of Service	Medical Contribution
0 - end of the 19th year of service	75% of the lowest premium for employee plus one dependent
20 years of service or more	100% of the lowest premium for employee plus one dependent