

DEPARTMENT HEAD CLASSIFICATION LIST

Deputy City Manager (Confidential)
Community Development Director
Community Services Director
Electric Utilities Director
Finance Director (Confidential)
Fire Chief
Human Resources/Risk Manager Director (Confidential)
Police Chief
Public Works Director/City Engineer
Water Resources Director

DEPARTMENT HEAD UNIT – SUMMARY MEMORANDUM OF UNDERSTANDING

Term

The term of this MOU shall be from September 19, 2025, through September 18, 2028.

Salary

Year 1 Salary Step Addition

Effective the first full pay period following September 19, 2025, the City shall add a new top step to the unit's salary schedule. This additional step shall be set at two and one-half percent (2.5%) above the current highest salary step.

All unit members who, as of the effective date, have completed at least one (1) year of continuous City/District service and are at the current top step of the salary schedule shall be advanced to the new step.

All other unit members shall continue to progress in accordance with existing step advancement policies on their regular anniversary date.

Year 2 Salary Step Addition

Effective the first full pay period following September 19, 2026, the City shall add a new top step to the unit's salary schedule. This additional step shall be set at two and one-half percent (2.5%) above the current highest salary step.

All unit members who, as of the effective date, have completed at least one (1) year of continuous City/District service and are at the current top step of the salary schedule shall be advanced to the new step.

All other unit members shall continue to progress in accordance with existing step advancement policies on their regular anniversary date.

Year 3 Salary Step Addition

Effective the first full pay period following September 19, 2027, the City shall add a new top step to the unit's salary schedule. This additional step shall be set at two and one-half percent (2.5%) above the current highest salary step.

All unit members who, as of the effective date, have completed at least one (1) year of continuous City/District service and are at the current top step of the salary schedule shall be advanced to the new step.

All other unit members shall continue to progress in accordance with existing step advancement policies on their regular anniversary date.

Longevity Performance Program

An employee is eligible for Longevity Performance Pay if the following apply:

1. Employee has worked full time, including full time limited-term assignments exceeding one (1) year, for the City of Ukiah for a minimum of seven (7) years, and
2. Employee has received a satisfactory or above rating on his/her last annual performance evaluation.

Such employee will be eligible to receive a lump sum payment on their anniversary date each year in which he/she receives a satisfactory or above rating on his/her last annual performance evaluation according to the following schedule:

- a) Upon the 7th anniversary date of employment, and each year thereafter in which the employee receives a satisfactory or above performance evaluation rating, on their anniversary date, a full-time employee with the City of Ukiah will receive \$1,000.
- b) Upon the 12th anniversary date of employment, and each year thereafter in which the employee receives a satisfactory or above performance evaluation rating, on their anniversary date, a full-time employee with the City of Ukiah will receive \$2,500.
- c) Upon the 20th anniversary date of employment, and each year thereafter in which the employee receives a satisfactory or above performance evaluation rating, on their anniversary date, a full-time employee with the City of Ukiah will receive \$3,500.

The lump sum payment will not adjust the salary range and will not count toward the calculation of annual salary for the purpose of computing life insurance coverage or long-term disability (LTD) wages.

Retirement

Effective January 1, 2013 Department Head employees defined by the Public Employees' Pension Reform Act (PEPRA) as "new members" shall pay 50% of the total normal cost for the new Miscellaneous pension formula 2% @ 62, which is currently 6.75% of reportable compensation, with a three-year final compensation period. "Classic members" (employees hired prior to January 1, 2013) will retain the 2.7% @ 55 Miscellaneous PERS formula, 8% member contribution (EPMC), with a one-year final compensation period.

The PEPRA defines a "new member" as : a) A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who has no prior membership in any California public retirement system; b.) A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who is not eligible for reciprocity with another California public retirement system; 3.) A member who first established CalPERS membership prior to January 1, 2013, and who is rehired by a different CalPERS employer after a break in service of greater than six months.

Health Insurance Contribution

The City shall offer employees and their eligible dependents, a health insurance program under the terms set forth below:

The City will pay 85% of the REMIF EPO 500, PPO 500 and HSA medical plans, including

dental and vision plans. For employees electing the REMIF EPO 250 plan, the City will pay equivalent to the 85% portion for the EPO 500 plan.

Those employees who choose not to have City health coverage must show proof of health coverage under another plan for the entire tax family. An employee not enrolled in a City health plan may only enroll in a City plan upon a qualifying event approved by the health plan, or during open enrollment period of the health plan.

Section 125 Plan (Cafeteria Plan)

Cafeteria Plan is available for pre-tax benefits at the option of the employee.

Long-Term Disability

A Long-Term Disability Plan is available. Participation will be voluntary and automatic payroll deductions will be available for those that join the plan. This plan is offered in lieu of State Disability Insurance, which the City does not contribute to.

Employees who do not enroll in this voluntary plan within 30 days of their hire date may elect to enroll at a later date, but will be subject to medical underwriting review in accordance with insurance company policy.

Retiree Insurance

An employee retiring with 10 or more years of City of Ukiah service may purchase at his/her own expense, City group insurance if offered by the carrier and subject to the carrier's requirements. Premium payments must be made to the City of Ukiah no later than the 15th of the month preceding the month of coverage, or the City may have no choice but to terminate coverage. For example, the premium is due by June 15 for July coverage.

Holidays

Employees are provided with the following paid holidays:

<u>DATE</u>	<u>HOLIDAY</u>
January 1	New Year's Day
3rd Monday, January	Martin Luther King, Jr. Birthday
3rd Monday, February	President's Day (Washington's Birthday)
Last Monday, May	Memorial Day
June 19	Juneteenth
July 4	Independence Day
1st Monday, September	Labor Day
2nd Monday, October	Indigenous Peoples' Day/Columbus Day
November 11	Veterans Day
4th Thursday, November	Thanksgiving Day
4th Friday, November	Day following Thanksgiving
December 24	Christmas Eve
December 25	Christmas Day

December 31

New Year's Eve

In addition to the above, each employee shall receive eight (8) hours of leave with pay as a floating holiday. The floating holiday shall be credited to the employee's vacation accrual balance in July of each year.

When a holiday falls on a Saturday the holiday will be observed on the Friday before the holiday. When a holiday falls on a Sunday the holiday will be observed on the Monday following the holiday.

Vacation Schedule

Vacation is earned and accrued hourly each pay period according to the following schedule:

Years of Service	Hours Earned Per Pay Period	Maximum Accrual
0 – 8	6.2 Hours	338.4 Hours
9 – 15	7.7 Hours	416.4 Hours
15 +	8.4 Hours	452.8 Hours

In the first full pay period of October each year, five (5) additional vacation days shall be credited lump sum to each Department Head Unit member vacation accrual.

Vacation Cash-Out

Unit members may cash out up to two (2) weeks of vacation when they are within two pay periods of reaching one-half of their maximum vacation accrual, limited to two (2) times per fiscal year.

Executive Leave Pay

The City provides 15 days of Executive Leave Pay annually to Department Heads on a non-accruing basis. Executive Leave Pay can be taken as cash payment at straight time, or as time off. New and promotional employees shall be granted pro-rated Executive Leave Pay beginning the first full pay period following date of hire.

Bereavement Leave

An employee is entitled to three days bereavement leave for the death of any member of his/her immediate family. An additional two days may be granted for travel exceeding 350 miles one way [Refer to Bereavement Leave Policy, Section 4.06.3 for definition of immediate family.]

Service Credit

New employees will receive credit of up to 50% for prior comparable government entity service toward vacation accrual. The applicable service experience will be determined by the City Manager.

Military Service Credit as PERS Public Service

PERS eligible employees may elect to purchase up to four years of service credit for any continuous active military or merchant marine service prior to employment. The employee must contribute an amount equal to the contribution for current and prior service that the employee and the City would have made with respect to that period of service. Interested employees should contact the Human Resources Department or Cal-PERS for more information.

Service Clubs

Upon approval by the City Manager, service club expenses (ex: Kiwanis, Soroptimists) will be reimbursed. Each employee may receive reimbursement for only one service club, and only two members of each category (City Council, exempt employees, Department Heads, and Management/Supervisory personnel) may belong to any one club.

Reimbursement is limited to annual dues, fines, meals, and special assessments to specified maximums. (Policy Resolution #17)

Uniform Allowance

The Police Chief and Fire Chief shall receive a uniform allowance of one thousand dollars (\$1,000) per year, paid on a bi-weekly basis as earned (\$38.46 per pay period), subject to ordinary taxes. The allowance shall remain non-PERSable.

For purposes of defining allowable use, purchases must conform to the CalPERS Uniform Allowance standard. The allowance is limited to the purchase, rental, and/or maintenance of required uniform clothing, including clothing made from specially designed protective fabrics, which are a ready substitute for personal attire the employee would otherwise have to acquire and maintain. The allowance shall not be used for items that are solely for personal health and safety, such as protective vests or safety shoes.

It is the responsibility of the Police Chief and Fire Chief to purchase and maintain his/her uniform in a clean and orderly condition, consistent with departmental Standard Operating Procedures (SOPs).

Use of City Vehicle

The Police Chief and Fire Chief shall be assigned a City vehicle for professional and business use, including home-to-work travel, subject to authorization and policies established by the City Manager.

Severance Practice

At-Will Status: Department Heads are at-will and serve at the pleasure of the City Manager. Department Heads do not have a property interest in their position with the City and employment may be terminated at any time, with or without cause, by the City Manager.

Limitation of Removal: Department Heads shall not be removed from office, other than for cause or by mutual agreement, during or within a period of ninety (90) days succeeding the appointment of a new City Manager. The purpose of this provision is to allow any new City Manager to observe

the actions and ability of the Department Heads in the performance of the powers and duties of their positions. This grace period does not alter the at-will status of the Department Heads.

Severance Agreement: The following severance provisions apply and will be made available to the Department Head if the separated employee signs and agrees to be bound by a written general release agreeing not to sue and waiving claims and recovery against the City and all City representatives and agents. If the City terminates the employment of a Department Head without cause, including but not limited to lay off or elimination of position, and the Department Head is willing and able to perform his/her job duties, then the Department Head shall be placed on administrative leave to maintain current pay and benefits for up to six (6) months while seeking other employment options. At the employee's election any remaining balance of the 6-month administrative leave shall be paid in a lump sum payment within (30) days of the request for payment. For a period of six (6) months following termination or up to the lump sum payment option, the City shall pay its share of costs to continue health, dental, and vision insurance for the Department Head and all dependents.

Separation Agreement

Resignation: The Department Head may resign at any time. In adherence to the highest professional standards and to promote continuity of operations while mitigating service disruptions, they are expected to give the City a minimum of sixty (60) days advance written notice of the effective date of their resignation, unless the Parties otherwise agree in writing. After the City receives the Department Head's notice of resignation, and for at least sixty (60) days thereafter, unless otherwise agreed, the Department Head shall continue to perform in accordance with this MOU and agrees to limit the use of accrued annual paid leave to days approved by the City Manager.

Retirement: If the Department Head retires from full-time public service with City, the Department Head shall provide City with a minimum of six (6) months' advance notice. The Department Head's actual retirement date will be mutually established.

The above notices of separation are a requirement unless otherwise agreed to mutually.