

LETTER OF UNDERSTANDING

Effective April 1, 2011

This Letter of Understanding is entered into by and between the Sacramento Metropolitan Fire District, hereinafter referred to as the "District," and the Battalion Chief's Organization, Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO), hereinafter referred to as the "Union." It is the purpose of this agreement to modify and amend the Memorandum of Understanding between the District and the Union as set forth in this agreement. It is the intent of the parties that the terms of this Letter of Understanding shall remain in full force and effect for the term of the existing MOU and any successor agreements, unless superceded, amended or modified by mutual written agreement between the parties. This document reflects the results of an agreement negotiated by Representatives of Local 522 and that of the Administration of Sacramento Metropolitan Fire District.

Article 9 Term (A) of the MOU between Sacramento Metropolitan Fire District And the Battalion Chief's Organization, Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be replaced with the following:

- A. The terms and conditions of this Memorandum of Understanding are effective on January 1, 2007 and shall remain in full force and effect through December 31, 2013.

Article 9 Term (A)(5) of the MOU between Sacramento Metropolitan Fire District And the Battalion Chief's Organization, Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be established with the following:

5. All wages, hours, benefits and working conditions in effect on the date the January 1, 2007 through December 31, 2011 agreement was ratified will be reinstated on December 1, 2013, unless the District or the Union requests a modification on or before July 1, 2013. In such event, the District and the Union shall immediately negotiate over said reinstatement of wages, hours, benefits, working conditions or further concessions thereof. In the event no agreement is reached by August 1, 2013, the parties shall proceed to mede-arb any and all such disagreements between the parties. The mede-arb hearings shall extend no longer than four (4) days. The mede-arbitrator shall consider the financial condition of the District and the wages, hours, benefits and working conditions of comparable jurisdictions in reaching an award. The selection of the mede-arbitrator must occur no later than April 1, 2013. The mede-arbitration award shall issue no later than October 31, 2013.

Article 14 Callback, Overtime, Off-Duty Response, and CTO (1)(A)(E) of the MOU between Sacramento Metropolitan Fire District And the Battalion Chief's Organization, Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be replaced with the following:

1. Overtime
 - A. All hours worked which are not during the employee's regularly scheduled hours shall be compensated at the rate of one and one-half (1.5) times the employee's total hourly compensation. All hours worked which are not during an employee's regular scheduled hours shall be compensated at the rate of one and one-half times the employee's base wage exclusive of incentives.
 - E. Day employees will receive overtime pay calculated on base wage exclusive of incentives if hours worked are related to the day assignment, but not if related to a shift assignment.

Article 14 Callback, Overtime, Off-Duty Response, and CTO (5)(A) of the MOU between Sacramento Metropolitan Fire District And the Battalion Chief's Organization, Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be replaced with the following:

5. CTO
 - A. Day assigned employees may request to covert accrued CTO hours to pay at any time with management's right to approve, deny or modify the request. All CTO hours accrued while on day assignment must be either used or sold within a rolling twelve (12) month calendar of date of accrual, and/or used or sold prior to the employee returning to a suppression assignment whichever occurs first. CTO hours accrued after the approval of this agreement will be compensated at the employee's base wage exclusive of incentives.

Article 17 Public Employee's Retirement (8)(9)(10) of the MOU between Sacramento Metropolitan Fire District And the Battalion Chief's Organization, Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be established with the following:

8. Effective on the date of ratification and approval of this agreement, all personnel shall pay six (6) percentage points of the employer's percentage contribution to PERS retirement. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC 414(h)(2) and Government Code Section 20516 and maintained in the employee's account.

9. Effective on July 1, 2011, all personnel shall pay an additional three (3) percentage points of the employer's percentage contribution to PERS retirement. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC 414(h)(2) and Government Code Section 20516 and maintained in the employee's account for a total of nine (9) percentage points of the employer's percentage contribution to PERS retirement.
10. Effective on July 1, 2012, all personnel shall pay an additional three (3) percentage points of the employer's percentage contribution to PERS retirement. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC 414(h)(2) and Government Code Section 20516 and maintained in the employee's account for a total of twelve (12) percentage points of the employer's percentage contribution to PERS retirement.

Article 26 Holidays (1) of the MOU between Sacramento Metropolitan Fire District And the Battalion Chief's Organization, Sacramento Area Firefighters Local 522, I.A.F.F. (AFL-CIO) shall be replaced with the following:

1. Definition

Shift Battalion Chiefs shall receive as compensation for working or responding to the off-duty needs of the District on District recognized holidays, an additional 144 hours off with pay per year. The employee will sell all 144 hours of Holiday Leave on an annual basis. Hours may be sold in increments of 12 hours per month for 12 months, or however they choose, *i.e.* one lump sum, or any combination in 12 hour increments throughout the year. If a shift employee is hired at other than the first of the year the Holiday pay will be prorated based upon the hire date. The District shall observe official holidays in accordance with the following designated holiday schedule. The District's office may be closed on observed days for designated holidays and non-suppression/day shift employees who would otherwise have worked on such days shall utilize PTO, unless otherwise mutually agreed to by the employee(s) and the Fire Chief or his designated representative.

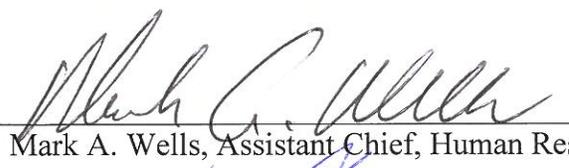
IN WITNESS WHEREOF, the authorized representatives of each party to this Memorandum of Understanding have affixed their signatures to this document on the dates set forth below.



Kurt P. Henke, Fire Chief

6/15/11

Date



Mark A. Wells, Assistant Chief, Human Resources

6-20-11

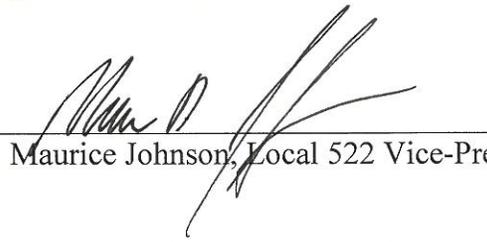
Date



Rich Schmiedt, Local 522 President

6-22-11

Date



Maurice Johnson, Local 522 Vice-President

6-1-11

Date