MEMORANDUM OF UNDERSTANDING

IAFF Local 3577

JULY 1, 2025 - JUNE 30, 2028

SCOTTS VALLEY FIRE PROTECTION DISTRICT

MEMORANDUM OF UNDERSTANDING
Scotts Valley Fire Protection District
and
IAFF Local 3577
July 1, 2025– June 30, 2028

MEMORANDUM OF UNDERSTANDING
Scotts Valley Fire Protection District
and
IAFF Local 3577
July 1, 2025– June 30, 2028

I. PREAMBLE

This agreement is entered into by and between the Scotts Valley Fire Protection **District**, hereinafter referred to as **District,** and the Scotts Valley Firefighters I.A.F.F. Local 3577, consisting of Captains, Engineers and Firefighters, hereinafter referred to as **Union**.

This Memorandum of Understanding is subject to Sections 3500-3510 of the Government Code of the State of California.

II. DEFINITIONS

CalPERS – *California Public Employees Retirement System – an IRS401(a) defined benefit retirement plan,*

District – *The Scotts Valley Fire Protection **District** formed in 1958, under the California Health and Safety Code.*

Employee – *Persons employed on a full-time basis by the Scotts Valley Fire Protection **District***

ETO – *Educational Time Off*

FLSA – *Fair Labor Standards Act - The FLSA establishes minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector and in Federal, State, and local governments.*

Member – *An employee of the **District** represented by the International Association of Firefighters (I.A.F.F.) Local 3577 (Union).*

PEMHCA - *Public Employees ' Medical and Hospital Care Act – The PEMHCA authorizes the Board of Administration of the Public Employees' Retirement System to contract with carriers for health benefit plans for employees and annuitants, as defined.*

PEPRA - *The California Public Employees ' Pension Reform Act (PEPRA), which took effect in January 2013, changes the way CalPERS retirement and health benefits are applied, and places compensation limits on members.*

Union – *International Association of Firefighters (I.A.F.F.), Local 3577.*

Unit - *The collective bargaining unit consisting of employees in the job classifications of Firefighters, Captains, and Engineers. The Unit does not include employees in any other job classifications (e.g., Paid Call Firefighters, Chief Officers, non-sworn personnel, etc.)*

VEBA - *Voluntary Employee Benefit Association, administered by California Government Voluntary Employee Benefit Association (CALGOVEBA). The VEBA is a savings program contracted to help employees plan for post-employment healthcare expenses.*

III. RECOGNITION

For purposes of this agreement, “Employees” refers to persons employed on a full-time basis by the **District** in the **Unit**. Membership in the **Union** is voluntary to all employees in the **Unit**. The **District** hereby recognizes that, for purposes of bargaining with respect to wages, hours and working conditions, the **Union** is the sole and exclusive representative of all **Unit** members within the **District**.

IV. PREVAILING RIGHTS

The **District** agrees that all rights, privileges, and working conditions enjoyed by the **Unit** at the present time, which are not included in this agreement, shall remain in full force, unchanged and unaffected in any manner, during the term of this Agreement unless changed by mutual consent.

The parties agree, that upon request by either party, to meet-and-confer on matters not in writing which may have been considered “rights” and which either party wishes, during the term of the Memorandum of Understanding, to modify.

V. RESERVATIONS OF MANAGEMENT RIGHTS

The parties acknowledge that it is the exclusive right of the **District** to: generally govern the work of the **District** and conduct of its employees; to determine the mission of the **District**; to determine the procedures and standards of selection for employment and promotion of employees; to direct its employees; to assign work to employees in accordance with the requirements determined by the **District**; to establish work schedules; to determine the content of job classifications; to hire, promote or lay off employees for lack of work or funds; to suspend, discipline and discharge employees for proper cause; to expand or diminish services; to determine the methods, means and personnel by which **District** operations are to be conducted; and to establish, publish and modify **District** policies, regulations and standard operating procedures.

With respect to job classifications, the **District** agrees to meet-and-confer only if the **District** intends to modify the minimum requirements for Engineer, Fire Captain, or education requirements for Firefighter I or Firefighter II.

VI. RULES AND REGULATIONS

Pursuant to State law, the parties acknowledge the **District**’s right to promulgate reasonable rules, regulations, policies, and standard operating procedures. The **Union** agrees that its members shall comply in full with these rules and regulations and standard operating procedures. Both parties agree that rules, regulations, and policies effecting wages, hours, and other terms and conditions of employment shall be subject to the grievance procedure only in so far as it is alleged that violation of the rules and regulations by the **District** occurred.

Any new or revised rules, regulations, or standard operating procedures developed by the District shall be subject to the meet-and-confer process in so far as they affect wages, hours and other terms and conditions of employment.

VII. SHIFT HOURS, STAFFING AND OFF-DUTY RESPONSE

Section 8.01 Staffing

The **District** and the **Union** agree that staffing levels are directly related to the safety of personnel and level of service that the **District** is able to provide. The **District** and the **Union** endeavor to work closely to provide the best possible service while providing for the safety of personnel. The **District** and **Unit** members will comply with the OSHA requirements for “2 in, 2 out” for entry into environments that are Immediately Dangerous to Life and Health (IDLH).

On-duty company staffing will be two (2) companies, typically one at each station. On-duty staffing will be no less than three (3) qualified personnel per company, one of whom shall be a Captain or Acting Captain, one Engineer and one Firefighter of which (Engineer or Firefighter) shall be an accredited paramedic. The minimum number of companies shall be set by the **Fire Chief**. A company is defined as a staffed response resource typically assigned to a fire station ready to respond to incidents.

A company may be staffed by two (2) qualified personnel per company for temporary assignments for operational needs as determined by the Fire Chief.

The Administrative Captain and or Deputy Fire Marshal position will not be used to replace minimum company staffing due to Vacation, Sick Leave, Workers Compensation or Educational Time Off, during their 4/10 work schedule.

The **District** needs to retain the flexibility for unusual and/or disaster circumstances for purposes of off duty response when the primary companies are committed. Specific assignments for response will be made by the Fire Chief or designee, taking into account the nature of the response, safety of personnel and need for additional response resources.

While this section establishes minimum levels of company staffing, the **District** may exceed the minimum staffing levels to provide a higher level of service.

Section 8.02 Call-Back, Off Duty Response, Overtime

(a) Regularly Scheduled Overtime – Shift Employees

Shift employees are regularly scheduled to work 192 hours in each 24-day work period. The District has adopted a 24-day work period under Section 7(k) of the FLSA. Under Section 7(k), employees are eligible to receive overtime compensation for hours worked in excess of 182 hours in each 24-day work period. Employees who work all regularly scheduled hours in the work period will receive up to 10 hours of FLSA overtime premium for those regular scheduled hours worked between 182 and 192. Except for Educational Time Off, paid leave hours, such as vacation or sick leave, will not be included in calculating hours worked for purposes of receiving any overtime premium for regularly scheduled overtime hours.

(b) Voluntary Overtime – Shift Employees

Overtime assignments will be offered to employees in accordance with SOP 1103 and 1103A. Employees who accept such overtime assignments will be paid at 1.5 times the "regular rate of pay" (as that term is defined under the FLSA) for all hours worked in the assignment.

(c) Call Backs and Off-Duty Incidents – Shift Employees

Employees who are called-back to work by the District after having completed a regular schedule or who are called in to work by the District on a scheduled day off will be paid for all hours worked in connection with that call back, subject to a two-hour minimum. For purposes of calculating an employee's response to a call-back or off-duty response, the employee's hours worked will begin upon being dispatched and will end upon being released from duty and will include reasonable travel time to return to their home.

Employees will be called back and/or called to an off-duty incident in accordance with SOP 1103 and 1103A, except that all employees are subject to mandatory recall in times of emergency.

Section 8.03 Deputy Fire Marshal

(a) Assignment

The Deputy Fire Marshal, hereinafter referred to as DFM will be assigned to a 40-hour/week schedule typically consisting of five consecutive days totaling 40 hours. An alternative work schedule (such as a 4/10 plan) may be approved by the Fire Chief.

(b) Overtime

The DFM shall be compensated at the rate of 1.5 times the regular rate of pay for all hours worked in excess of forty (40) in the workweek. For payroll purposes, the workweek begins at 12:01 on Saturday and ends at 12:00 midnight on Friday.

(c) Compensatory Time Off

The DFM may elect to receive compensatory time off (CTO) in lieu of cash overtime. Any request to use accrued CTO hours must be approved in advance by the Fire Chief. CTO hours accrue at the rate of 1.5 hours of CTO for each hour of overtime worked.

The Maximum allowable hours that may be contained in a CTO bank is 50 hours. Any overtime hours worked that would increase the DFM CTO bank beyond the 50-hour maximum will be paid out at 1.5 times the regular rate of pay.

Prior to receiving a step increase or salary increase, the DFM will be paid for all hours in their CTO bank at their regular rate of pay.

(d) Call-Back

DFM called-back to work by the District after having completed a regular schedule or called in to work by the District on a scheduled day off will be paid for all hours worked in connection with that call back, subject to a two-hour minimum. Unless otherwise provided by law, the DFM hours worked will begin upon arrival at the District offices to perform work.

VIII. EDUCATION AND CERTIFICATIONS

Section 8.01 Educational Time Off (ETO)

Each employee will be granted up to forty-eight (48) hours of ETO per fiscal year. The purpose of the time is for job related classes as approved by the fire chief or designee. Examples include but are not limited to fire suppression, rescue, prevention, EMS, or college level education classes. The Fire Chief, or designee, will have the ability to deny or authorize requests based on fiscal impacts, operational impacts and the specific request. Requests for college level courses shall be accompanied by a detailed letter defining how it is job related. Hours spent on ETO will be included as hours worked when calculating eligibility for any overtime premium for regularly scheduled overtime hours.

Use of ETO shall be subject to the approval of the Fire Chief, as specified in Section 10.01(b). Once granted ETO shall not be rescinded, except in the case of emergency. In the event that ETO is rescinded, the **District** will be responsible for reimbursing the employee for any related expenses.

Section 8.02 Continuing Education Reimbursement

Each employee will be eligible to receive up to $1500 in education expense reimbursement each fiscal year, regardless of rank. Examples include but are not limited to fire suppression, rescue, prevention, EMS, or college level education classes.

Requests for college level courses shall be accompanied by a detailed letter defining how it is job related.

The Fire Chief or designee, may authorize additional funds in addition to the $1,500 at their discretion and based on fiscal impacts, operational need, and benefit to the District.

The **District** will reimburse employees for continuing education related expenses that are associated with job related training, subject to the approval of the Fire Chief. The employee must attend and/or complete the educational program associated with the training to be entitled to education expense reimbursement.

Section 8.03 Education

Employees are eligible to receive education incentive pay. In order to receive this pay, the employee must possess either an Associate Degree, Bachelor's Degree, or Master's Degree. Only one education incentive can be applied per employee and shall be considered PERS reportable compensation.

DEGREE	Monthly Amount
Master's Degree	$350
Bachelor's Degree	$250
Associates Degree	$150

Section 8.04 Certifications

Employees who complete State Fire Training (SFT) Company Officer, SFT Investigator, and or SFT Instructor certification shall receive incentive pay of 1% of the employee's base pay. Certifications may be compounded, and the Incentive Pay will be spread over twenty-six (26) pay periods, and paid out bi-weekly. Certification requirements shall be established within Policy 1505 Career Development Guide. If any requirements to obtain certifications through SFT change during the duration of this agreement, a meet-and-confer will take place to discuss interpretation and to define the new standards set by the state. Certification incentives shall be considered PERS reportable compensation.

CERTIFICATIONS	INCENTIVE
SFT Company Officer	1%
SFT Instructor	1%
SFT Investigator	1%

Employees may receive pay equal to 5% of their base pay for National Institute of Automotive Service Excellence (NIASE) Certification and Educational Incentive related to mechanic duties. This pay may be compounded with other Certifications found in Section 8.04, and the total sum will be spread over twenty-six (26) pay periods, paid out bi-weekly. The NAISE Certification and Educational Incentive requirements shall be established within Policy 1505 Career Development Guide and as outlined further in this section. If any requirements to obtain certifications change during the duration of this agreement, a meet-and-confer will take place to discuss interpretation and to define the new standards set by the state.

Any member receiving the incentive may be required to complete additional special projects and/or services as assigned by the fleet supervisor. Smaller assignments may be completed while on duty, however, they shall not interfere with normal operations or training requirements. Larger projects shall be completed outside of regularly scheduled hours at the approval of the Fire Chief or designee. All certification benefits shall be considered PERS reportable compensation.

Requirements for eligibility fall into one of the two categories listed below.

1. Certifications: Employees who obtain and maintain a National Institute of Automotive Service Excellence (NIASE) Certificate for brakes, suspension, and steering, or California Fire Mechanics Academy Fire Mechanic I, II, III shall be eligible for special compensation related to mechanic pay. The benefit will be discontinued upon expiration of the certification unless proof of recertification is submitted. Or,

2. Educational Incentive: Employees who complete at least four of the approved courses listed in Policy 1505, totaling a minimum of one-hundred-sixty (160) hours, shall be eligible for special compensation related to mechanic pay. These courses must enhance the employee's ability to perform their current job duties.

IX. COMPENSATION

Section 9.01 Salaries

The agreed difference between salary step increases within each rank shall be 5%. The agreed difference between the salary step increases for ranks shall be 10%.

The employer will pay the base salaries reflected in accordance with ATTACHMENT A.

An **8% increase** in monthly base pay will take effect on the pay period inclusive of July 1st, 2025. An additional **4% increase** to monthly base pay is scheduled to take effect on the pay period July 1st, 2026 and July 1, 2027. An opener clause is agreed to for the

2027 salary increase only. The opener will be triggered in the event District Property Tax Revenue is less than **3% increase** from the previous fiscal year.

Monthly base salaries shall be in accordance with ATTACHMENT A.

Movement from one pay step to the next in the series is subject to the employee successfully passing a **District** designed and administered test.

Section 9.02 Pay Rate Calculations

For purposes of administering this MOU, except where otherwise indicated, the following standard rate calculations will apply to shift (or 56-hour) employees:

- Straight time rate = base monthly salary x 12 ÷ 2912.
- Pay rate = base monthly salary + any fixed monthly differential(s)
- Annual rate = Pay rate x 12
- Biweekly pay period rate = Annual rate ÷ 26
- Hourly rate or 56-hour rate = Biweekly rate ÷ 112 (2 x 56 hour weeks)
- Per shift rate, 24 hour shift = Hourly rate x 24

Section 9.03 Uniform Allowances

The **District** will provide employees with all **District** required uniform elements and equipment. The **District** will also provide uniform and equipment replacements, and provide for uniform maintenance and cleaning as needed, as determined by the **District**.

The **District** will report, for CalPERS Classic Members, the monetary value of the required uniform elements and equipment, uniform and equipment replacements, and uniform maintenance and cleaning as special compensation on a quarterly basis not to exceed $1,200 annually.

All issued uniform items are the property of the **District** and will be returned to the **District** or paid for by the Employee upon Employee termination.

Section 9.04 Work Out of Class

The **District** and the **Union** agree that it is desirable that a highly trained, professional fire prevention and fire suppression force should be developed and maintained. To that end, it is agreed that Employees should be well trained for the work they are expected to perform and that no employee should be ordered to do work for which the employee is not qualified or which is not, in the judgment of the Fire Chief, related to the **District**'s responsibilities with respect to fire prevention or suppression, including improvement or maintenance of the **District**'s property.

The Fire Chief or designate shall be responsible for appointing personnel to acting positions, except in cases of emergency, when the duty-chief may do so.

a) Acting Captain Differential

If an employee meets the requirements of the **District**'s Career Development Policy, he or she shall be paid for the time served as an acting captain as if he or she had been promoted to the grade of Captain.

b) Acting Battalion Chief Differential

If an employee meets the requirements of the **District**'s Career Development Policy, he or she shall be paid for the time served as an acting battalion chief as if he or she had been promoted to the grade of Battalion Chief.

c) Acting Fire Marshal Differential

If an employee meets the requirements of the District's Career Development Policy, they shall be paid for the time served as an acting fire marshal as if they have been promoted to Fire Marshal.

Section 9.05 Paramedic Program

The **District** will pay a Paramedic incentive of 10% of the employees base monthly salary for all Firefighters and Engineers working as Paramedics. Fire Captains who maintain Paramedic licensure following promotion to Fire Captain will be paid a differential of 3% of the employees base monthly salary. Fire Captain Paramedics may revert to Fire Captain at any time.

a) Qualification Standards

All **Unit** members shall be eligible to receive Paramedic Incentive as provided in this Section. Paramedics promoted to the rank of Fire Captain may maintain Paramedic licensure upon promotion to the Fire Captain position. The Fire Captain Paramedic will not be assigned as the only Paramedic on a company, except under extreme circumstances.

All employees working as Paramedics under the **District** program shall be accredited, must maintain all required certifications, and complete all related training and reviews including a State license and Santa Cruz County Emergency Medical Technicians Paramedic accreditation. All Paramedics are subject to clinical review by the Santa Cruz County Emergency Medical Director and Quality Assurance oversight by a

District representative. Paramedics are responsible for maintaining all necessary standards and may be removed from the Paramedic program and/or subject to any other disciplinary action for failure to maintain Paramedic standards.

b) Program Participation

All employees, working as Paramedics must stay in the Paramedic program until promoted to Captain, attrition permits their position to be filled, or the **District** is able to train or hire a replacement. Paramedics may stay in the program after promotion to Captain until the **District** fills their Paramedic position.

Paramedics may request to be relieved from the Paramedic program to revert to a position as a Firefighter, Engineer or Captain, depending upon their current rank, but may not leave the Paramedic program until the **District** has obtained a replacement. The original eight (8) employees qualified to become Paramedics at the time of implementation of the **District**'s Paramedic program on January 1, 2003 will revert to a position as a Firefighter, Engineer or Captain, depending upon their current rank, if they are disqualified from the Paramedic program or request to leave the program. However, all subsequent Paramedics are subject to disciplinary action up to and including termination if they are disqualified or request to leave the Paramedic program.

c) Paramedic Training

The **District** will provide continuing education to assist Paramedics in maintaining the Paramedic qualification standards. Paramedics must obtain permission from the **District** to attend any training related to maintaining Paramedic standards that is not provided by the **District** itself. The **District** will pay the costs for this training, as well as paramedic licensure renewal fees, which shall not count against any education expense reimbursement available under . The **District** will also pay overtime compensation if necessary for Paramedic training.

Paramedics shall utilize local training opportunities, when possible, to keep additional costs associated with the class(s) at a minimum. If it is determined that a paramedic, through their own negligence, is unable to attend a required training class that had been offered locally and, as a result, must then travel to attend the same training, the District may elect to pay only those costs which would have been incurred had the training been attended locally (i.e., tuition, meals, lodging, and mileage may not be included). However, the employee may use available ETO and their training reimbursement allowance to offset the costs.

Section 9.06 Hazardous Materials Assignment

Upon administrative assignment by the Fire Chief, unit members assigned Haz-Mat duties established by the Fire Chief shall receive special assignment pay equal to 5% of their base monthly salary, and not including any differentials, while so assigned. Removal from this administrative assignment shall not be cause for a grievance nor be considered disciplinary action.

Section 9.07 Administrative Captain

The Administrative Captain is an administrative assignment by the Fire Chief. Removal from this assignment shall not be cause for a grievance nor be considered disciplinary action.

The Administrative Captain will be scheduled to regularly work a 4/10 work schedule but will remain on an FLSA twenty-four day 7(k) work period. When performing the duties of an Administrative Captain, their hourly rate will be calculated as follows: Hourly rate = Biweekly rate ÷ 80 (2 x 40 hour weeks).

The Administrative Captain base salary shall be established as Captain base salary, not including differentials, plus holiday pay.

The Administrative Captain will be permitted to observe the same twelve (12) District holidays observed by other administrative personnel. If the Administrative Captain is required to perform work on a holiday, the Administrative Captain will be paid for any such hours at the overtime rate of time and one half.

New Year’s Day (January 1)	Veteran's Day (November 11)
Martin Luther King Day (3rd Monday of January)	Thanksgiving Day
President's Day (3rd Monday of February)	Friday Following Thanksgiving
Memorial Day (last Monday in May)	Christmas Eve (December 24)
Independence Day (July 4)	Christmas Day (December 25)
Labor Day (1st Monday in Sep)	New Year’s Eve (December 31)

Note: Holidays falling on a Saturday will be observed the preceding Friday and holidays falling on a Sunday will be observed on the following Monday.

The Administrative Captain must receive advance approval from the Fire Chief or designee before working any overtime in the Administrative Captain assignment. The Administrative Captain will receive overtime compensation for hours worked in excess of 40 in the calendar week. This overtime will be paid at 1.5 times the Administrative Captain's regular rate of pay.

Subject to the approval of the Fire Chief or designee, the Administrative Captain may be eligible to work a voluntary overtime shift assignment that does not conflict with the Administrative Captain's regularly scheduled 40-hour a week assignment. In addition, the Fire Chief may direct the Administrative Captain to work a shift assignment, call back, or off-duty response when in the Fire Chief's judgment such work is necessary to provide services to the community. If the Administrative Captain volunteers for or is required to work a shift-assignment, the Administrative Captain will be paid at 1.5 times the shift (or 56 hour) rate.

Section 9.08 Holiday Pay

Shift employee (56-hour schedule) shall be compensated for twelve (12) holidays to be paid out at the members base salary hourly rate. The sum will be based on each holiday being twenty four (24) hours in length, and the total being spread equally over 26 pay periods, and paid out bi-weekly.

District recognized holidays are listed below and shall be considered PERS reportable compensation.

New Year's Day	Veteran's Day
Martin Luther King Day	Thanksgiving Day
President's Day	Friday Following Thanksgiving
Memorial Day	Christmas Eve
Independence Day	Christmas Day
Labor Day	New Year's Eve

Section 9.09 Investigation On-call Compensation

The Scotts Valley Fire District has agreed to be a participant in the Santa Cruz County Fire Investigation Task Force Charter (SCCFITF) under the direction and in communication with the Santa Cruz County Fire Chiefs Association.

The SCCFITF membership agreement will require each participating fire agency to be on standby for one month, twice each year, or a rotation specified by the SCCFITF Charter. This standby period will require that Fire District investigator(s) will coordinate the response to incidents within the County of Santa Cruz, 24 hours a day, 7 days a week, during each one-month cycle.

While on Fire Investigation standby, the assigned District employee(s) will receive compensation for their standby time as well as the time period in which they are activated for their investigation duties.

Compensation for standby time will be compensated at the employees “regular rate of pay” as defined in the MOU. The compensation rate would be as follows: 1.5 hours of weekday coverage per 24 hours, 2 hours for weekend coverage per 24 hours. In the event that a 56-hour employee is assigned standby coverage, they will receive 2 hours pay per 24 hours of coverage.

Upon activation to duty, the employee shall be additionally compensated at the employee’s overtime rate of pay. Time shall begin upon initial contacting of the employee, and terminate upon release from the incident.

Employees shall not be forced or mandated to accept the standby coverage, and if qualified employees are not available, SCCFITF response coverage shall be maintained by on duty personnel and existing mutual aid agreement.

X. LEAVES

Section 10.01 Vacation

1. Accruals

All **Unit** members shall accrue vacation at rates determined by years of service, workweek, and seniority.

a) Accrual rates for employees shall be as indicated by Table 1. Vacation accrual stops upon reaching the specified maximum accrual and will commence once vacation hours drop below the maximum accrual.

Table 1 (next page)

Years of continuous service* (inclusive)	Vacation Accrual Rate (2 week pay period)	24 Hr Shifts per Yr.	Maximum Accrual (hrs)
0-5	5.54	6	192
>5-10	8.31	9	264
>10-15	11.08	12	360
>15-20	12.00	13	384
>20	12.92	14	408

** Complete Years, as calculated from full-time date of hire.*

b) Except in cases of emergency, an employee may not work for the District during a scheduled vacation day.

c) An employee who becomes ill or is hospitalized while on vacation and provides a written statement from their physician may have the period of the illness charged against sick leave and not vacation.

2. Approval

Use of vacation/ ETO shall be subject the following procedures:

a) Up to two (2) people per shift may be off on vacation / ETO under the following conditions:

   1) All requests for vacation / ETO leave for the first person per shift shall be submitted using the District staffing software no less than 96 hours prior to the start of the requested leave. The first leave request will be granted by the Fire Chief or designee regardless of other Unit members who may be on any other form of leave.

   2) All requests for vacation / ETO leave for the second person per shift shall be submitted using the District staffing software no less than 14 days prior to the start of the requested leave. In the event that there is anyone else off, on any form of leave, at any time up to 14 days before the requested leave, the Fire Chief may in the Fire Chief’s sole discretion grant or deny the leave request.

Actual vacancies caused or filled_by department needed movement of personnel shall be recognized as a full shift (e.g. moving of an acting captain from one shift to another to cover a long-term vacancy – the shift with the assigned AC will be considered a full shift).

Exception: A person may submit a request for vacation / ETO leave with less than 96 hours, or less than 14 days (whichever applies). However, such requests shall only be granted or denied by the Fire Chief or designee as provided above.

b) All requests for vacation / ETO leave, for the Administrative Captain and Deputy Fire Marshal must be requested using the District staffing software and approved by the Fire Chief or designee.

3. Short Term Vacation

Requests for short-term vacation (less than a 24-hour shift) shall be a minimum of two (2) hours. Short-term vacation between 07:00 and 17:00 hours will be limited to a maximum of 12 hours per calendar year. Short-term vacation between 17:00 and 07:00 will not have a maximum. The Fire Chief or designee will evaluate the impacts of the request based on the specific request, fiscal impacts, and operational considerations. The Fire Chief will then authorize or deny the request based on these considerations. Short-term vacation requests shall requested using the District staffing software not more than 96 hours before the requested date of use.

4. Accrued Vacation Buy Back

The **District** agrees to buy back up to 72 hours of vacation, in 24-hour increments, at the employee's straight time rate, once per year. An employee must submit a written request, by November 30th of each year and specify 24, 48 or 72 hours. Said Buy Back of Vacation Time will be paid on the second pay period in December. Paid Vacation Time will be deducted from the employee's accrued vacation balance.

The Department of Labor, which administers the Fair Labor Standards Act (FLSA), has opined that vacation buy-back is not included in the FLSA regular rate of pay. Therefore, the **District** will not include these payments in the regular rate of pay.

5. Payment on Separation

Upon separation from employment, **Unit** members will be paid for accrued and unused vacation hours at their straight time rate. In accordance with Article XI below, such payment may be made in the form of a contribution to the employee's VEBA account, as payment to the employee or some combination of the two depending on the VEBA terms that apply.

Section 10.10 Union Leave Bank

1. Accrued Transfer of Time to Union Leave Bank

   In the first pay period of July of each year, bargaining unit members may contribute to the Union Leave Bank by donating not more than four (4) hours of their accrued vacation leave. This time-donation shall be requested by the employee using a form mutually agreed to between the Parties, and signed by the employee authorizing the deduction of hours.

   Once donation requests are received in Administration, the District will deduct the vacation hours from employees leave bank in the next payroll period. An accounting of the Union Leave hours (Bank) will be maintained in Administration.

   If an employee does not have at least four (4) hours of vacation available, no deduction will occur until the next pay period or when the hours become available. Employees separating employment will not be refunded or receive any credit from the hours contributed.

   The number of hours deducted from each employee's accrued vacation banks may be adjusted, at their request, from year to year and as necessary. In addition, the bargaining unit may decide to do a one-time donation of vacation into the Union bank, during the year. This process will be initiated by the Union utilizing the donation form.

2. Carryover of Unused Funds

   Unused Union Leave Bank hours shall carryover from year to year at the end of each fiscal year.

   The Union Leave Bank will never exceed 200 hours. In the event the total donated hours cause the leave bank to exceed 200 hours, the donations shall be adjusted equally amongst those donating to allow each member to donate the same amount of hours to the maximum amount allowed in the bank.

3. Dissolution of the Program

   In the event the Parties agree to dissolve the Union Leave Bank, the parties shall meet-and-confer on how the hours within the leave bank will be allocated to the members of the Union.

4. Usage of the Union Leave Bank

   The use of Union Leave shall be limited to official union business, attend Union conferences, or training related to a union function/business.

   Once approved, Union Leave hours shall be transferred from the Bank on an hour for hour basis regardless of rank, or rate of pay. Any employee on Union Leave shall receive their normal rate of pay for the regularly scheduled shifts as established in the current MOU.

5. Authorization For Use of the Union Leave Bank

Union Leave shall only be requested by the Union President or designee to the Fire Chief. Requests shall include the employee(s) name who will be on leave, the dates in which the leave will be used, and the official union business being attended. The Fire Chief or designee will confirm available hours in the Union Leave Bank and approve or deny the request based on the established approval process in section 10.01 (b)

Section 10.02 Sick Leave

Sick leave is hereby defined to mean the absence from duty of an officer or employee because of illness, injury, or exposure to contagious disease not otherwise designated as, or qualifying for worker's compensation benefit.

1. Accrual

   The District shall provide 11.08 hours of sick leave (without loss of pay) per two-week pay period. Sick leave may accrue without limit.

2. Sick Leave Upon Separation

   If a Unit member retires from the District for the purpose of retiring from CalPERS, then their accrued and unused sick leave balance may be converted to service credit as allowed under the terms of the District's contract with CalPERS and the Public Employment Retirement Law, including any amendments to that law. Unused sick leave hours will not be cashed out. Sick leave may not be used to delay a Unit member's effective date of service or disability retirement.

Section 10.03 Bereavement

Leave with pay shall be granted to employees in order that they may discharge the customary obligations arising from the death of a member of their immediate family. Immediate family shall mean an employee's child, adopted or stepchild, spouse, registered domestic partner, father, mother, stepparents, grandparents, grandchildren, brother, sister, or any of the above related to the spouse or domestic partner. For 40-hour employees, forty (40) hours of leave will be granted and shall be charged against sick leave balance. For 56-hour employees, two (2) 24-hour shifts will be granted and shall be charged against sick leave balance. The leave must be used in complete shifts. However, it may be used in non-consecutive days. Additional leave with or without pay may be granted with the approval of the Fire Chief and charged to the employee's leave banks if available.

XI. BENEFITS

Section 11.01 Healthcare

The District has elected to contract with CalPERS to provide active employees and retirees with healthcare coverage through the PEMHCA medical plans.

As required by PEMHCA, the District shall pay directly to CalPERS the monthly Minimum Employer Contribution (MEC) towards the PEMHCA medical plan insurance premium for each active employee and retiree who elects to enroll in a PEMHCA medical plan.

The District agrees to pay CalPERS an amount of money on behalf of the active employee and his or her eligible dependents.

The District agrees to pay a max contribution of 96% of the PERs Platinum plan for the remainder of the 2025 insurance year.

Beginning insurance year 2026 the District's contribution shall be as stated below. If the District's contribution does not pay for 100% of at least half of the employee health insurance plan options for that year, the Parties will meet-and-confer.

For the 2026 medical insurance plan year, the District's contribution to monthly premium will be as follows:

Employee only: $1,395
Employee plus one dependent: $2,790
Employee plus two or more dependents: $3,627

For the 2027 medical insurance plan year, the District's contribution to monthly premium will be as follows:

Employee only: $1,465
Employee plus one dependent: $2,929
Employee plus two or more dependents: $3,808

For the 2028 medical insurance plan year, the District's contribution to monthly premium will be as follows:

Employee only: $1,538
Employee plus one dependent: $3,075
Employee plus two or more dependents: $3,998

Section 11.02 Alternate Benefit, Healthcare Opt-Out

This benefit is available to those full-time employees in regular or probationary status who:

1. Elect to opt-out of receiving a District-sponsored health insurance plan;
2. Are not enrolled in a District sponsored health insurance plan as the dependent of another District employee; and
3. Provide proof of medical insurance coverage from a plan other than a District sponsored plan.

Any cash payment provided shall be reported to the Internal Revenue Service ("IRS") and California Franchise Tax Board as compensation subject to income tax withholding. Each employee shall be solely and personally responsible for calculations regarding PERS retirement benefits. If an employee is to discontinue their opt-out status due to a qualifying event, the alternative benefit contributions will terminate on the last complete pay period prior to being reintroduced to a District sponsored plan.

The amount of alternative benefit provided to a bargaining member will be a flat rate of $500.00 per month. Participation in the Alternative Benefit program must be elected each year during the open enrollment period for healthcare.

Section 11.03 Post-Employment Health – VEBA

The District agrees to participate in the California Government Voluntary Employee Benefit Association (CALGOVEBA) plan, which is intended to assist employees with planning for retirement health care expenses. All employees who are members of the bargaining unit are eligible to participate in the VEBA. Union employees' participation in the VEBA is mandatory and irrevocable.

Beginning with the pay period that includes July 1, 2020, the District will cease any District contribution to the VEBA. On or after this date, all future contributions shall be employee contributions in the form of a vacation balance transfer at retirement.

All payments made to the VEBA on employee's behalf shall be irrevocably paid to the California Government Voluntary Employee Benefit Association 501(c)(9) Trust. BAA Capital Advisors Inc. is the Trust Administrator.

The Union agrees to indemnify and hold the District harmless against any claims, lawsuits, demands, penalties, or liability of any kind whatsoever that may arise against the District from the employee's participation in the VEBA, including taxes and liabilities relating to the VEBA's exempt status as a 501(c)(9) trust.

The Union may form sub-groups based on hire date. Sub-groups can be added, deleted, or changed annually by the Union. Every calendar year, the Union shall submit notification to the District defining sub-groups. Each group will establish their respective payroll contributions and percentage of their vacation balance to VEBA at retirement.

Section 11.04 Post-Employment – Medical

Upon retirement, the District shall continue to contribute the MEC (Minimum Employee Contribution) established by the PEMHCA to those individuals who are determined to be "Annuitants" of the District as defined under the PEMHCA. The Annuitant may participate in the then current District-sponsored health care plan in accordance with any restrictions provided by CalPERS. Any premium balance remaining for the plan selected by the Annuitant shall be funded by the Annuitant.

If a Unit member retires from the District on or after January 1, 2021 with 10 or more years of District service and that employee is determined to be an "Annuitant" of the District as that term is defined by the PEMHCA, the District will provide that Annuitant with a monthly supplemental contribution towards CalPERS health insurance benefits. The amount of any supplemental contribution will be equal to the premium cost for annuitant only coverage, less any MEC paid by the District, except that the total of any MEC and supplemental contribution provided by the District shall not exceed $1,000 a month.

If the Unit member was enrolled in a District retirement plan at the time of retirement, and otherwise meets the criteria to be eligible to receive a monthly supplemental contribution towards health insurance benefits, then the District's payment of any monthly supplemental contribution shall continue until the earlier of: (1) the month that includes date the Annuitant becomes eligible to participate in a Medicare plan; (2) the Annuitant's receipt of the equivalent of ten (10) years' worth of contributions; or (3) the Annuitant's death. In no event will an Annuitant's spouse, surviving spouse or surviving family member be eligible to receive any supplemental contribution payment.

If upon service retirement or anytime during retirement, the Annuitant elects to cancel participation in a CalPERS health insurance plan, and enroll in another health plan, the District will continue to reimburse Annuitant 100% of the employee-only premium of the new health plan, up to the $1,000 per month maximum contribution. The Annuitant must provide the District with proof of enrollment and premium cost annually, typically after open enrollment and/or prior to the start of the new calendar year.

Section 11.05 Long Term Disability

The District agrees to continue paying member benefits (medical, dental, vision, CALPERS contributions) for a non-probationary employee during times of extended absence due to an illness/injury that occurred outside the workplace. During such time, the District will continue to pay all benefits while sharing the costs of wages with the Union supported CAPF long term disability plan. The initial use will be based on a 50% LTD and 50% employee's sick leave usage to fund salary compensation. Once the member's sick leave has been exhausted, they will be required to transfer to a 100% LTD program and all District supported benefits will terminate.

Section 11.06 Life Insurance

The District agrees to pay the full cost of a $55,000 term life insurance policy for each member. The carrier shall be selected by the District.

Section 11.07 Dental Plan

The District shall pay 100% per month during the term of this agreement toward the District sponsored dental plan for eligible **Unit** members. Said plan shall cover member and their qualified dependents. Eligibility shall be determined by the terms of the plan.

Any modifications to the existing plan, which substantially reduce benefits, shall be a meet-and-confer matter. The annual maximum is $1,500 per patient for dental care and the lifetime orthodontic maximum is $3,000 per patient.

Upon request by the District, the Union agrees to meet-and-confer on the subject of the District's contribution towards the Dental program.

Section 11.08 Vision Plan

During the term of this agreement, the District shall pay 100% of the premium costs for eligible **Unit** members who elect to participate in the District sponsored vision plan for eligible **Unit** members. Said plan shall cover the member and the member's qualified dependents. Eligibility shall be determined by the terms of the plan.

Section 11.09 Public Employees Retirement System (CalPERS)

1. Classic Employees

The retirement program provided by the Employer shall be through the California Public Employees Retirement System, 3% at 55 formula.

The following additional provisions of the Public Employees Retirement Law shall apply to all employees:

- Section 20042 One-year final compensation
- Section 20965 Credit for unused sick leave; 8 hours equals 1 day
- Section 21574.5 (Indexed Level of Survivor 1959 Benefits)

2. Public Employment Pension Reform Act (PEPRA)

For employees hired 1/1/13 or later and who <u>ARE NOT</u> a member of the California Public Employees Retirement System (CalPERS) or a reciprocal agency, or those who have been separated from a public agency which contracts with CalPERS or a reciprocal agency for six months or more, the retirement benefit shall be:

- 2.7% at age 57; 3-year final compensation

The required employee contribution rate as a percentage of payroll shall be:

- At least 50% of the normal cost of the retirement benefit as calculated by CalPERS. Through June 30, 2021 = 13% of Reportable Compensation.

Section 11.10 Deferred Compensation – 457 Plan

The Employer agrees to maintain a voluntary Deferred Compensation Plan under Internal Revenue Code Section 457, available to all eligible employees represented by the Union. Participation in the 457 Plan is strictly voluntary. Employees may elect to defer a portion of their salary, subject to applicable IRS limits, into the Plan. The District does not match any contributions - all contributions shall be made solely by the participating employee through payroll deduction.

The district agrees to pay the maintenance fees for union members to access 457 temporary loans program. The district shall support such fees up to a maximum amount of $750 annually. Any fees in addition to the max contribution will be paid by the union.

XII. SAVINGS CLAUSE

The district agrees to pay the maintenance fees for union members to access 457 temporary loans program. The district shall support such fees up to a maximum amount of $750 annually. Any fees in addition to the max contribution will be paid by the union.

XII. SAVINGS CLAUSE

If any article or Section of this Memorandum of Understanding should be found invalid, unlawful or unenforceable due to any existing or subsequent enacted legislation or by judicial authority, all remaining Articles and Sections of this Memorandum of Understanding shall remain in full force and effect for the duration of the MOU. In the event of invalidation of any Article or Section, the **District** and the **Union** agree to meet within 30 calendar days of such invalidation for the sole purpose of meeting and conferring upon said Article or Section.

This MOU constitutes a full and complete agreement between the parties on all matters within the scope of representation.

XIII. GRIEVANCE PROCEDURE

Scotts Valley Fire Protection **District** Policy 901 dated March 23, 1998 is hereby referenced as the grievance procedure for grievances of disciplinary action. Scotts Valley Fire Protection **District** Policy 902 dated June 9, 1999 is hereby referenced as the grievance procedure for all other grievances.

XIV. TERM OF AGREEMENT

The term of this Memorandum of Understanding is from July 1, 2025 to and inclusive of June 30, 2028. Negotiations for a successor Memorandum of Understanding shall begin at the request of either party between January and June of 2028. This MOU shall remain in effect until a new MOU is mutually agreed upon or the impasse process has been completed.

XV. SIGNATURES

The parties have met and conferred in good faith regarding wages, hours and other terms and conditions of employment for the employees for which the Union is the recognized representative, have freely exchanged information, opinions and proposals and have reached agreement on all matters relating to the employment conditions and employer-employee relations covering such employees.

This MOU shall be presented to the Scotts Valley Fire Protection District Board of Directors, as the governing board of the District, as the joint recommendations of the undersigned for salary and employee benefit adjustments for the period commencing July 1, 2021 and ending June 30, 2025.

MEMORANDUM OF UNDERSTANDING
Scotts Valley Fire Protection District
and
IAFF Local 3577
July 1, 2025– June 30, 2028

Adam Cosner Board Negotiator Scotts Valley Fire Protection District	Date	**Andrew Sundermier** Lead Negotiator, Scotts Valley Firefighters I.A.F.F. Local 3577	07/09/25 Date
Ron Whittle Board Negotiator Scotts Valley Fire Protection District	Date	**Neil Cahir** President, Scotts Valley Firefighters I.A.F.F. Local 3577	Date

ATTACHMENT A: Salary Schedule

Start Date	Contract Basis Established DELTAs	Pay Period inclusive of 07/01/2025	Pay Period inclusive of 07/01/2026	Pay Period inclusive of 07/01/2027
Position		8%	4%	4%
Firefighter - Step 1	$ 7,805	$ 8,429	$ 8,767	$ 9,117
Firefighter - Step 2	$ 8,195	$ 8,851	$ 9,205	$ 9,573
Engineer - Step 1	$ 9,015	$ 9,736	$ 10,125	$ 10,530
Engineer - Step 2	$ 9,466	$ 10,223	$ 10,632	$ 11,057
Engineer - Step 3	$ 9,939	$ 10,734	$ 11,163	$ 11,610
Engineer - Step 4	$ 10,436	$ 11,271	$ 11,721	$ 12,190
Captain - Step 1	$ 11,479	$ 12,398	$ 12,894	$ 13,409
Captain - Step 2	$ 12,053	$ 13,018	$ 13,538	$ 14,080
Captain - Step 3	$ 12,656	$ 13,668	$ 14,215	$ 14,784
Admin. Captain - Step 1	$ 12,615	$ 13,624	$ 14,169	$ 14,736
Admin. Captain - Step 2	$ 13,246	$ 14,305	$ 14,878	$ 15,473
Admin. Captain - Step 3	$ 13,908	$ 15,021	$ 15,622	$ 16,246
DFM - Step 1	$ 12,615	$ 13,624	$ 14,169	$ 14,736
DFM - Step 2	$ 13,246	$ 14,305	$ 14,878	$ 15,473
DFM - Step 3	$ 13,908	$ 15,021	$ 15,622	$ 16,246

** Admin Captain and DFM base salaries shall be established as Captain base plus holiday pay.*

SIDE LETTER OF AGREEMENT

BETWEEN

SCOTTS VALLEY FIRE PROTECTION DISTRICT

AND

SCOTTS VALLEY FIREFIGHTERS I.A.F.F. LOCAL 3577

This Side Letter of Agreement (Agreement) between the Scotts Valley Fire Protection District ("District") and the Scotts Valley Firefighters I.A.F.F. Local 3577 (hereinafter referred to as "I.A.F.F. Local 3577", collectively referred to as the "Parties") is entered into with respect to the following:

WHEREAS, the District and I.A.F.F. Local 3577 are currently parties to a Memorandum of Understanding (MOU) with a term of July 1, 2025 through June 30, 2028; and

WHEREAS, Section 9.04 Work out of Class of the MOU provides for employees to be assigned to work out of classification on a temporary ("acting") basis; and

WHEREAS, the Work Out of Classification compensation language was originally established effective July 1, 1997, and has been continuously administered since that time. The Parties desire to further clarify the method of compensation for employees assigned to work out of classification to ensure consistency in administration and compliance with CalPERS reportable compensation requirements. The Parties further agree that the clarifying language contained in this Side Letter is intended to be effective retroactive to July 1, 1997; and

WHEREAS, the Parties have satisfied the meet and confer process regarding this clarification.

NOW, THEREFORE, THE PARTIES AGREE TO THE REVISIONS TO SECTION 9.04 AS FOLLOWS:

Section 9.04 Work Out of Class

The **District** and the **Union** agree that it is desirable that a highly trained, professional fire prevention and fire suppression force should be developed and maintained. To that end, it is agreed that Employees should be well trained for the work they are expected to perform and that no employee should be ordered to do work for which the employee is not qualified or which is not, in the judgment of the Fire Chief, related to the **District**'s responsibilities with respect to fire prevention or suppression, including improvement or maintenance of the **District**'s property.

The Fire Chief or designee shall be responsible for appointing personnel to acting Captain, Battalion Chief, Deputy Fire Marshal and Fire Marshal positions, except in cases of emergency, when the duty-chief may do so.

a) Work Out of Classification Compensation

If an employee is assigned by the District to work out of classification and performs 100% of the duties of a higher classification, the employee shall be compensated at the base salary rate of Step 1 of the higher classification for all hours worked in the acting assignment.

b). Method of Calculation and Payment

For payroll administration purposes, the District may calculate and pay this compensation as the difference between:

- the employee's base hourly rate; and
- the base hourly rate of Step 1 of the higher classification
  This difference may be expressed as a fixed hourly differential amount.

These differential amounts:

- are derived from the difference between classification base salary rates; and
- are applied consistently for employees performing the same acting assignment.

c) Overtime

Work out of classification compensation shall be included in the employee's regular rate of pay for purposes of calculating overtime, consistent with the Fair Labor Standards Act (FLSA) and current payroll practices.

d) CalPERS Reportability

Compensation paid pursuant to this Agreement is intended to qualify as reportable compensation to CalPERS as special compensation for performing duties of a higher classification and shall be reported in accordance with applicable laws and regulations.

Except as expressly provided herein, all other terms and conditions of the MOU remain unchanged and in full force and effect.

DONE THIS 8 DAY OF July, 2026

SCOTTS VALLEY FIREFIGHTERS I.A.F.F. 3577	SCOTTS VALLEY FIRE PROTECTION DIRSTRICT
Neil Cahir, President	Daron Pisciotta, Board President