

AGENDA
EL DORADO HILLS COUNTY WATER DISTRICT
(FIRE DEPARTMENT)
BOARD OF DIRECTORS
EIGHT HUNDRED EIGHTH MEETING
(A Special Meeting)
Wednesday, November 6, 2019
4:00 p.m.
(1050 Wilson Blvd., El Dorado Hills, CA)

- I. Call to Order and Pledge of Allegiance

- II. Closed Session Items
 - A. Closed Session pursuant to Government Code Section 54956.9(D)(1): Conference with legal counsel regarding existing litigation: Thomas and Helen Austin v. The County of El Dorado, et. al.; El Dorado County Superior Court Case No. 21050633
 - B. Closed Session pursuant to Government Code Section 54957.6, conference with labor negotiators; items under negotiation: Memorandum of Understanding with the El Dorado Hills Professional Firefighters pertaining to wages and benefits; District negotiator is Chief Johnson
 - C. Closed Session Pursuant to Government Code Section 54957.6, conference with labor negotiators; items under negotiation: Contracts with unrepresented employees pertaining to wages and benefits; District negotiator is Chief Johnson
 - D. Closed Session pursuant to Government Code Section 54957(b)(1); Public Employee Performance Evaluation: Fire Chief; development of form and procedure
 - E. Closed Session Pursuant to Government Code Sections 54956.9(d)(2) and 54956.9 (d)4); potential litigation; one matter

- III. Oral Communications
 - A. Any person wishing to address the Board on any item that is not on the Agenda may do so at this time. No action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three minutes per person and twenty minutes for all comments unless otherwise authorized by the Board.

- IV. Committee Reports
 - A. Administrative Committee (Directors Bennett and Durante)
 - 1. Review and approve architectural service RFP award to Ross Drulis and Cusenbery and WLC
 - 2. Review and approve Master Services Agreement for Training Center architect
 - 3. Review and approve Master Services Agreement for future architectural services
 - B. Finance Committee (Directors Giraud and White)
 - 1. Review Staff Memo summarizing the proposed Memorandum of Understanding for Local 3604 and the Unrepresented Safety Management, Non-Safety Management, and Non-Safety Administrative Support Employee Salary and Benefits

2. Review and approve Resolution 2019-13 approving the El Dorado Hills Professional Firefighters Memorandum of Understanding
3. Review and approve Resolution 2019-14 approving Salary and Benefits for Unrepresented Safety Management, Non-Safety Management and Non-Safety Administrative Support employees

V. Fiscal Items

- A. Review and approve Resolution 2019-11 fixing the employer contribution at an equal amount for employees and annuitants under the Public Employees' Medical and Hospital Care Act
- B. Review and approve updated Public Salary Schedule effective 10/8/2019

VI. Old Business

- A. Review and Approve Interim Training Facility Lease

VII. Adjournment

Note: Action may be taken on any item posted on this agenda.

This Board meeting is normally recorded.

MASTER SERVICES AGREEMENT
for
ARCHITECTURAL/ENGINEERING SERVICES
For the El Dorado Hills Fire Department
MSA Agreement

October 2019

AGREEMENT FOR PROFESSIONAL SERVICES

This agreement ("Agreement"), dated as of October 18, 2019 ("Effective Date") is by and between the **El Dorado Hills Fire Department** (hereinafter "Department"), and **Ross Drulis Cusenbery Architecture**, a California corporation (hereinafter "Consultant").

R E C I T A L S

WHEREAS, manages the design and construction of new facilities and major repairs and remodeling of existing facilities for Department-owned and leased general government buildings and grounds; and

WHEREAS; Department is in need of expert professional services, including but not limited to architectural/engineering services to deliver the projects in compliance with the approved scope, budget and schedule; and

WHEREAS, Consultant represents that it is a duly qualified and licensed Architectural Firm experienced in architectural design and related services; and

WHEREAS, in the judgment of the Board of Directors, it is necessary and desirable to employ the services of a Consultant for various projects on an as-needed basis.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the parties hereto agree as follows:

A G R E E M E N T

I. Scope of Service.

1.1 Consultant's Specified Services. Consultant shall perform consulting and other related services as requested from time to time by the Capital Projects Manager as the Capital Projects Manager, in its sole discretion, deems appropriate. All work will be issued incrementally with a documented scope and budget in the form of a Task Order which shall be approved by the Department Representative for Task Orders

not to exceed \$50,000, Task Orders between \$50,000 and \$100,000 will be approved by Fire Chief, all Task Orders over \$100,000, the Fire Board will give the Chair authorization to sign task orders on their behalf after approval by the Fire Board. The Department does not guarantee any minimum or maximum amount of work under this Agreement. Consultant shall receive compensation in an amount set by each Task Order, and to the extent applicable, according to the schedule of hourly rates and costs that will be agreed upon after the initial signing. Although Consultant selected under this RFQ is considered pre-qualified to provide consulting services for a certain range of Department projects, the Department makes no representation or warranty as to the frequency, number, or types of projects that will be assigned to Consultant. Department reserves the right to request fee proposals from one or more pre-qualified consultants for the same scope of services. Services shall be performed within specified times and dates pursuant to Article 7.

1.2 Cooperation with Department. Consultant shall cooperate with Department and Department staff in the performance of all work hereunder.

1.3 Performance Standard.

- a. Consultant shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in the Consultant's profession. Department has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant hereby agrees to provide all services under this Agreement in accordance with generally accepted professional practices and standards of care, as well as the requirements of applicable federal, state and local laws, it is understood that acceptance of Contractor's work by County shall not operate as a waiver or release. If Department determines that any of Consultant's work is not in accordance with such level of competency and standard of care, Department, in its sole discretion, shall have the right to do any or all of the following:
 - (a) require Consultant to meet with Department to review the quality of the work and resolve matters of concern;
 - (b) require Consultant to repeat the work at no additional charge until it is satisfactory;
 - (c) terminate this Agreement pursuant to the provisions of Article 4; or
 - (d) pursue any and all other remedies at law or in equity.
- b. Drawing and specification electronic file format. Consultant shall produce all plans, for all disciplines, using Autodesk's, Revit, or AutoCAD software, latest release for Microsoft Windows, or minimum AutoCAD 2013 release. All specification sections shall be produced using Microsoft Word, latest release for Microsoft Windows. Coordination of Consultant's and sub-consultants' drawings and specifications shall be performed by Consultant so that one complete set of drawings and specifications on disk is produced for use in bidding and construction of the project. At completion of the bidding phase, Consultant will complete a conforming set of construction documents integrating the addenda with plans and specifications prior to construction starting. Consultant shall submit to Department a copy of Conformed Construction Documents on disk in each of the following

formats:

Drawings:

- 1) Autodesk, Revit, AutoCAD software latest version (or min AutoCAD 2011) DWG format, with all XRef's bound into each primary drawing file. Include copies of any non-Auto CAD standard plot style files and text style files used; and
- 2) Adobe Acrobat PDF format – one file containing the entire set of drawings is preferred; however, for large projects, separate files for each discipline will be acceptable.

Specifications:

- 1) Microsoft Word DOC format; and
- 2) Adobe Acrobat PDF Format

- c. Record documents: Consultant shall prepare the Record Documents based on information required of and documented by the General Contractor. Conformed Construction Documents may be used by Consultant to produce the Record Drawings, if requested by Department, as follows: Consultant will make the Record Document corrections based on Consultant's request for information responses, observable conditions during site visits, known changes to the Contract Documents, and information provided by Contractor and/or Department. Using the Contract Document set of Auto Cad drawings. Consultant will prepare the Record Drawings. Upon Consultant's completion of the Record Drawings, the electronic files will be submitted to Department in original form and in Adobe Acrobat PDF form. Consultant will also submit complete corrected specifications in Microsoft Word format (latest Microsoft Windows release). Coordination of Consultant's and sub-consultants' drawings and specifications shall be performed by Consultant so that one complete and final set of drawings and specifications (Record Documents) on disk is produced for Department's use.
- d. Consultant shall provide a separate fee in its fee proposal to prepare final record documents. At the completion of project, Department may elect not to require Consultant to prepare final record documents. In this case, a deductive amendment to Consultant's agreement will be prepared by County in the amount Consultant stated in its fee proposal to prepare final records documents.

1.4 Assigned Personnel.

Consultant shall assign only competent personnel to perform work hereunder. In the event that at any time Department, in its sole discretion, desires the removal of any person or persons assigned by Consultant to perform work hereunder, Consultant shall remove such person or persons immediately upon receiving written notice from Department.

- a. Any and all persons identified in this Agreement or any exhibit hereto as the project manager, project team, or other professional performing work hereunder

are deemed by Department to be key personnel whose services were a material inducement to Department to enter into this Agreement, and without whose services Department would not have entered into this Agreement. Consultant shall not remove, replace, substitute, or otherwise change any key personnel without the prior written consent of Department.

- c. Consultant shall require all personnel and sub-consultants performing work hereunder in Department 's secured facilities, including but not limited to all fire stations, fire administration, or associated properties. To the extent applicable, or upon Department 's request, Consultant agrees to comply with all background check requirements.
- d. In the event that any of Consultant's personnel assigned to perform services under this Agreement become unavailable due to resignation, sickness, or other factors outside of Consultant's control, Consultant shall be responsible for timely provision of adequately qualified replacements.

2. Payment. For all services and incidental costs required hereunder, Consultant shall be paid in accordance with the following terms:

2.1 For all services and incidental costs required under any Task Order issued hereunder, Consultant shall be paid on either a lump sum or a time and material/expense basis as the parties may stipulate in the Task Order. Each Task Order shall forth the payment structure for the services therein contemplated. In no event shall total payments to Consultant exceed **Two Million Dollars (\$2,000,000.00) for the length of the contract term**; unless approved by the Department's Fire Board. Consultant shall submit its bills in arrears in a form approved by the Department's Fire Chief or his/her designee, the Department's Fire Board, or a combination therein. For services performed on a time and materials basis, bills shall be submitted monthly and shall show or include: (i) the task(s) performed; (ii) the time in no less than quarter hours devoted to the task(s); (iii) the hourly rate or rates of the persons performing the task(s); and (iv) copies of receipts for reimbursable materials/expenses, if any. Expenses not expressly authorized by this Agreement or by any Task Order issued hereunder, shall not be reimbursed. Reimbursable expenses may include printing, postage, and out of state travel, as stated in any approved Task Order. For services performed on a lump sum basis, bills shall be submitted monthly on a percentage of completion basis, based on specified deliverables, based on further detailed in the Task Order. Unless otherwise noted in this Agreement, payments shall be made within the normal course of Department business after presentation of an invoice in a form approved by the Department for services performed. Payments shall be made only upon the satisfactory completion of the services as determined by the Department.

Pursuant to California Revenue and Taxation Code (R&TC) Section 18662, the County shall withhold seven percent of the income paid to Consultant for services performed within the State of California under this agreement, for payment and reporting to the California Franchise Tax Board, if Consultant does not qualify as:

(1) a corporation with its principal place of business in California, (2) an LLC or Partnership with a permanent place of business in California, (3) a corporation/LLC or Partnership qualified to do business in California by the Secretary of State, or (4) an individual with a permanent residence in the State of California.

If Consultant does not qualify, Department requires reasoning as to why Consultant does not qualify, in order for payment to be made. By signing either form, the Consultant agrees to promptly notify the Department of any changes in the facts. Forms should be sent to the Department pursuant to Article 12. To reduce the amount withheld, Consultant has the option to provide Department with either a full or partial waiver from the State of California.

3. Term of Agreement. The term of this Agreement shall be from Effective Date to three (3) years from the "Effective Date" unless terminated earlier in accordance with the provisions of Article 4 below.

4. Termination.

4.1. Termination Without Cause. Notwithstanding any other provision of this Agreement, at any time and without cause, Department shall have the right, in its sole discretion, to terminate this Agreement by giving five days written notice to Consultant.

4.2. Termination for Cause. Notwithstanding any other provision of this Agreement, should Consultant fail to perform any of its obligations hereunder, within the time and in the manner herein provided, or otherwise violate any of the terms of this Agreement, Department may immediately terminate this Agreement by giving Consultant written notice of such termination, stating the reason for termination.

4.3. Delivery of Work Product and Final Payment Upon Termination. In the event of termination, Consultant, within 14 days following the date of termination, shall deliver to Department all work and materials and shall submit to Department an invoice showing the services performed, hours worked, and copies of receipts for reimbursable expenses up to the date of termination.

4.4. Payment Upon Termination. Upon termination of this Agreement by Department, Consultant shall be entitled to receive as full payment for all services satisfactorily rendered and reimbursable expenses properly incurred hereunder, an amount which bears the same ratio to the total payment specified in the Agreement as the services satisfactorily rendered hereunder by Consultant bear to the total services otherwise required to be performed for such total payment; provided, however, that if services which have been satisfactorily rendered are to be paid on a per-hour or per-day basis, Consultant shall be entitled to receive as full payment an amount equal to the number of hours or days actually worked prior to the termination times the applicable hourly or daily rate; and further provided, however, that if Department terminates the

Agreement for cause pursuant to Section 4.2, Department shall deduct from such amount the amount of damage, if any, sustained by Department by virtue of the breach of the Agreement by Consultant.

4.5. Authority to Terminate. The Board of Directors has the authority to terminate this Agreement on behalf of the Department. In addition, the Fire Chief, in consultation with Legal Counsel, shall have the authority to terminate this Agreement on behalf of the Department.

5. Indemnification. To the greatest extent permitted by California Civil Code Section 2782.8, the Consultant shall indemnify, hold harmless and defend the District and its officers and employees only to the extent permitted by law, from claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, its officers and employees during the performance of this Agreement. In no event shall the cost to defend charged to the Consultant exceed the Consultant's proportionate percentage of fault. The duty to indemnify, including the duty and the cost to defend, is limited as provided in this section.

6. Insurance. Consultant represents and warrants that it shall, at all times during the term of this Agreement, maintain the insurance in the stated amounts set forth below;

6.1 Workers' Compensation. Statutory Workers' Compensation covering all employees and complying with all laws of California and Employer's Liability Insurance with minimum limit of One Million Dollars (\$1,000,000).

6.2 Commercial General Liability. Commercial General Liability, Form CG 0001 or its equivalent (excluding professional liability coverage), providing for a limit of not less than Two Million Dollars (\$2,000,000) per occurrence and aggregate for bodily injury or property damage combined including premises/operations liability, products/completed operations liability, contractual liability and liability for Consultant's work.

6.3 Automobile. Commercial Automobile Liability insurance coverage in the sum not less than One Million Dollars (\$1,000,000) per incident for bodily injury and property damage combined including coverage for owned, non-owned, and hired automobiles.

6.4 Professional Liability. Professional Liability/Errors and Omissions, including contractual liability insurance, covering all Services performed by Consultant for or on behalf of Department in the amounts of not less than Two Million Dollars (\$2,000,000).

Consultant shall, prior to commencement of work hereunder, supply Department with certificates evidencing such insurance with a blanket additional insured endorsement attached thereto adding Department (and its partners, officer, directors, members, shareholders, employees, contractors, managers, agents, parents, affiliates, and subsidiaries) as additional insureds under the Comprehensive General Liability insurance with respect to the Services and providing for thirty (30) days' written notice to Department prior to cancellation or modification thereof. Consultant's insurance shall be primary, with any maintained by Department being non-contributory. Within ten (10) days of the expiration of each insurance policy required hereunder, Consultant shall

furnish Department with a certificate of insurance evidencing the renewal of policy continuing insurance in force as required by this Agreement. All such certificates of insurance shall be accompanied by a blanket additional insured endorsement.

7. Prosecution of Work. The execution of this Agreement shall constitute Consultant's authority to proceed immediately with the performance of this Agreement. Performance of the services hereunder shall be completed within the time required herein, provided, however, that if the performance is delayed by earthquake, flood, high water, or other Act of God, the time for Consultant's performance of this Agreement shall be extended by a number of days equal to the number of days Consultant has been delayed.

8. Extra or Changed Work. Extra or changed work or other changes to the Agreement may be authorized only by written amendment to this Agreement, signed by both parties. Minor changes, which do not increase the amount paid under the Agreement, and which do not significantly change the scope of work or significantly lengthen time schedules may be executed by the Fire Chief or his/her designee in a form approved by Department legal review. The Department Board of Directors or Fire Chief must authorize all other extra or changed work. The parties expressly recognize that Department personnel are without authorization to order extra or changed work or waive Agreement requirements. Failure of Consultant to secure such written authorization for extra or changed work shall constitute a waiver of any and all right to adjustment in the Agreement price or Agreement time due to such unauthorized work, and thereafter Consultant shall be entitled to no compensation whatsoever for the performance of such work. Consultant further expressly waives any and all right or remedy by way of restitution and quantum meruit for any and all extra work performed without such express and prior written authorization of the Department.

9. Representations of Consultant.

9.1 Standard of Care. Department has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant hereby agrees that all its work will be performed and that its operations shall be conducted in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Consultant's work by Department shall not operate as a waiver or release.

9.2 Status of Consultant. The parties intend that Consultant, in performing the services specified herein, shall act as an independent contractor and shall control the work and the manner in which it is performed. Consultant is not to be considered an agent or employee of Department and is not entitled to participate in any pension plan, worker's compensation plan, insurance, bonus, or similar benefits Department provides its employees. In the event Department exercises its right to terminate this Agreement pursuant to Article 4 above, Consultant expressly agrees that it shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees.

9.3 No Suspension or Debarment. Consultant warrants that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in covered transactions by any federal department or agency. Consultant also warrants that it is not suspended or debarred from receiving federal funds as listed in the List of Parties Excluded from Federal Procurement or Non-procurement Programs issued by the General Services Administration. If the Consultant becomes debarred, Consultant has the obligation to inform the Department.

9.4 Taxes. Consultant agrees to file federal and state tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement and shall be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes. Consultant agrees to indemnify and hold Department harmless from any liability which it may incur to the United States or to the State of California as a consequence of Consultant's failure to pay, when due, all such taxes, and obligations. In case Department is audited for compliance regarding any withholding or other applicable taxes, Consultant agrees to furnish Department with proof of payment of taxes on these earnings.

9.5 Records Maintenance. Consultant shall keep and maintain full and complete documentation and accounting records concerning all services performed that are compensable under this Agreement and shall make such documents and records available to County for inspection at any reasonable time. Consultant shall maintain such records for a period of four (4) years following completion of work hereunder.

9.6 Conflict of Interest. Consultant covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Consultant further covenants that in the performance of this Agreement, no person having any such interests shall be employed. In addition, if requested to do so by Department, Consultant shall complete and file and shall require any other person doing work under this Agreement to complete and file a "Statement of Economic Interest" with Department disclosing Consultant's or such other person's financial interests.

9.7 Nondiscrimination. Without limiting any other provision hereunder, Consultant shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religious creed, belief or grooming, sex (including sexual orientation, gender identity, gender expression, transgender, pregnancy, childbirth, medical condition's related to pregnancy, childbirth or breastfeeding), marital status, age, medical condition, physical or mental disability, genetic information, military or veteran status, or any other legally protected category or prohibited basis, including without limitation, the County's Non-Discrimination Policy. All nondiscrimination rules or regulations required by law to be included in this Agreement are incorporated herein

by this reference.

9.8 AIDS Discrimination. Consultant agrees to comply with state and federal laws prohibiting discrimination in housing, employment, and services because of AIDS or HIV infection during the term of this Agreement and any extensions of the term.

9.9 Assignment of Rights. Consultant assigns to Department all rights throughout the world in perpetuity in the nature of copyright, trademark, patent, right to ideas, in and to all versions of the plans and specifications, if any, now or later prepared by Consultant in connection with this Agreement. Consultant agrees to the such actions as are necessary to protect the rights assigned to Department in this Agreement and to refrain from taking any action which would impair those rights. Consultant's responsibilities under this provision include, but are not limited to, placing proper notice of copyright on all versions of the plans and specifications as Department may direct, and refraining from disclosing any versions of the plans and- specifications to any third party without first obtaining written permission of Department. Consultant shall not use or permit another to use the plans and specifications in connection with this or any other project without first obtaining written permission of Department.

9.11 Ownership and Disclosure of Work Product. All reports, original drawings, graphics, plans, studies, and other data or documents ("documents"), in whatever form or format, assembled or prepared by Consultant or Consultant's subcontractors, consultants, and other agents in connection with this Agreement shall be the property of Department. Department shall be entitled to immediate possession of such documents upon completion of the work pursuant to this Agreement. Upon expiration or termination of this Agreement, Consultant shall promptly deliver to Department all such documents, which have not already been provided to Department in such form or format, as Department deems appropriate. Such documents shall be and will remain the property of Department without restriction or limitation. Consultant may retain copies of the above described documents but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of Department; however, consultant may use computer generated or photographic images and written descriptions of the project for normal marketing purposes and on its website.

9.12 Authority. The undersigned hereby represents and warrants that he or she has authority to execute and deliver this Agreement on behalf of Consultant.

10. Assignment and Delegation. Neither party hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented.

11. Method and Place of Giving Notice, Submitting Bills, and Making Payments. All notices, bills, and payments shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service. Notices, bills, and payments shall be addressed as follows:

TO: DEPARTMENT: Dustin Hall
Deputy Chief
1050 Wilson Blvd.
El Dorado Hills, CA 95762
TEL: (916) 933-6623 FAX: (916) 933-5983

TO: CONSULTANT: Michael B. Ross, AIA
Ross Druilis Cusenbery Architecture Inc.
18294 Sonoma Hwy.
Sonoma, CA 95476
TEL: (707) 996-8448 FAX: (707) 996-8542

When a notice, bill or payment is given by a generally recognized overnight courier service, the notice, bill or payment shall be deemed received on the next business day. When a copy of a notice, bill or payment is sent by facsimile or email, the notice, bill or payment shall be deemed received upon transmission as long as (1) the original copy of the notice, bill or payment is promptly deposited in the U.S. mail and postmarked on the date of the facsimile or email (for a payment, on or before the due date), (2) the sender has a written confirmation of the facsimile transmission or email, and (3) the facsimile or email is transmitted before 5 p.m. (recipient's time). In all other instances, notices, bills, and payments shall be effective upon receipt by the recipient. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this paragraph.

12. Miscellaneous Provisions.

12.1 No Waiver of Breach. The waiver by Department of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.

12.2 Construction. To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Consultant and Department acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be

construed against one party in favor of the other. Consultant and Department acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

12.3 Consent. Wherever in this Agreement, the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

12.4 No Third-Party Beneficiaries. Nothing contained in this Agreement shall be construed to create, and the parties do not intend to create any rights in third parties.

12.5 Applicable Law and Forum. This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the County of El Dorado.

12.6 Captions. The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

12.7 Merger. This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. Each Party acknowledges that, in entering into this Agreement, it has not relied on any representation or undertaking, whether oral or in writing, other than those which are expressly set forth in this Agreement. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

12.8. Survival of Terms. All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason.

12.9 Time of Essence. Time is and shall be of the essence of this Agreement and every provision hereof.

IN WITNESS, WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

CONSULTANT:
Ross Drulis Cusenbery Architecture
Inc.

Name: _____

Title: _____

Date: _____

DEPARTMENT;
EL DORADO HILLS FIRE DEPARTMENT

CERTIFICATES OF INSURANCE ON
FILE WITH AND APPROVED AS TO
SUBSTANCE FOR DEPARTMENT:

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM FOR DEPARTMENT:

Name: _____

Title: Fire Chief _____

Date: _____

Name: _____

Title: President – Board of Directors _____

Date: _____

MASTER SERVICES AGREEMENT
for
ARCHITECTURAL/ENGINEERING SERVICES
For the El Dorado Hills Fire Department
MSA Agreement

October 2019

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RECITALS

WHEREAS, manages the design and construction of new facilities and major repairs and remodeling of existing facilities for Department-owned and leased general government buildings and grounds; and

WHEREAS; Department is in need of expert professional services, including but not limited to architectural/engineering services to deliver the projects in compliance with the approved scope, budget and schedule; and

WHEREAS, Consultant represents that it is a duly qualified and licensed Architectural Firm experienced in architectural design and related services; and

WHEREAS, in the judgment of the Board of Directors, it is necessary and desirable to employ the services of a Consultant for various projects on an as-needed basis.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the parties hereto agree as follows:

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not to exceed \$50,000, Task Orders between \$50,000 and \$100,000 will be approved by Fire Chief, all Task Orders over \$100,000, the Fire Board will give the Board President authorization to sign task orders on their behalf after approval by the Fire Board. The Department does not guarantee any minimum or maximum amount of work under this Agreement. Consultant shall receive compensation in an amount set by each Task Order, and to the extent applicable, according to the schedule of hourly rates and costs that will be agreed upon after the initial signing.

Although Consultant selected under this RFQ is considered pre-qualified to provide consulting services for a certain range of Department projects, the Department makes no representation or warranty as to the frequency, number, or types of projects that will be assigned to Consultant. Department reserves the right to request fee proposals from one or more pre-qualified consultants for the same scope of services. Services shall be performed within specified times and dates pursuant to Article 7.

1.2 Cooperation with Department. Consultant shall cooperate with Department and Department staff in the performance of all work hereunder.

1.3 Performance Standard.

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 - (a) require Consultant to meet with Department to review the quality of the work and resolve matters of concern;
 - (b) require Consultant to repeat the work at no additional charge until it is satisfactory;
 - (c) terminate this Agreement pursuant to the provisions of Article 4; or
 - (d) pursue any and all other remedies at law or in equity.
- b. Drawing and specification electronic file format. Consultant shall produce all plans, for all disciplines, using Autodesk's AutoCAD, latest release for Microsoft Windows, or minimum AutoCAD 2013 release. All specification sections shall be produced using Microsoft Word, latest release for Microsoft Windows. Coordination of Consultant's and sub-consultants' drawings and specifications shall be performed by Consultant so that one complete set of drawings and specifications on disk is produced for use in bidding and construction of the project. At completion of the bidding phase, Consultant will complete a

conforming set of construction documents integrating the addenda with plans and specifications prior to construction starting. Consultant shall submit to Department a copy of Conformed Construction Documents on disk in each of the following formats:

Drawings:

- 1) Auto Desk AutoCAD latest version (or min AutoCAD 2011) DWG format, with all XRef's bound into each primary drawing file. Include copies of any non-Auto CAD standard plot style files and text style files used; and
- 2) Adobe Acrobat PDF format – one file containing the entire set of drawings is preferred; however, for large projects, separate files for each discipline will be acceptable.

Specifications:

- 1) Microsoft Word DOC format; and
- 2) Adobe Acrobat PDF Format

- c. Record documents: Consultant shall prepare the Record Documents. Conformed Construction Documents may be used by Consultant to produce the Record Drawings, if requested by Department, as follows: Consultant will make the Record Document corrections based on Consultant's request for information responses, observable conditions during site visits, known changes to the Contract Documents, and information provided by Contractor and/or Department. Using the Contract Document set of Auto Cad drawings. Consultant will prepare the Record Drawings. Upon Consultant's completion of the Record Drawings, the electronic files will be submitted to Department in original form and in Adobe Acrobat PDF form. Consultant will also submit complete corrected specifications in Microsoft Word format (latest Microsoft Windows release). Coordination of Consultant's and sub-consultants' drawings and specifications shall be performed by Consultant so that one complete and final set of drawings and specifications (Record Documents) on disk is produced for Department's use.
- d. Consultant shall provide a separate fee in its fee proposal to prepare final record documents. At the completion of project, Department may elect not to require Consultant to prepare final record documents. In this case, a deductive amendment to Consultant's agreement will be prepared by County in the amount Consultant stated in its fee proposal to prepare final records documents.

1.4 Assigned Personnel.

Consultant shall assign only competent personnel to perform work hereunder. In the event that at any time Department, in its sole discretion, desires the removal of any person or persons assigned by Consultant to perform work hereunder, Consultant shall remove such person or persons immediately upon receiving written notice from Department.

a. Any and all persons identified in this Agreement or any exhibit hereto as the project manager, project team, or other professional performing work hereunder are deemed by Department to be key personnel whose services were a material inducement to Department to enter into this Agreement, and without whose services Department would not have entered into this Agreement. Consultant shall not remove, replace, substitute, or otherwise change any key personnel without the prior written consent of Department.

c. Consultant shall require all personnel and sub-consultants performing work hereunder in Department's secured facilities, including but not limited to all fire stations, fire administration, or associated properties. To the extent applicable, or upon Department's request, Consultant agrees to comply with all background check requirements.

d. In the event that any of Consultant's personnel assigned to perform services under this Agreement become unavailable due to resignation, sickness, or other factors outside of Consultant's control, Consultant shall be responsible for timely provision of adequately qualified replacements.

2. Payment. For all services and incidental costs required hereunder, Consultant shall be paid in accordance with the following terms:

2.1 For all services and incidental costs required under any Task Order issued hereunder, Consultant shall be paid on either a lump sum or a time and material/expense basis as the parties may stipulate in the Task Order. Each Task Order shall forth the payment structure for the services therein contemplated. In no event shall total payments to Consultant exceed **Two Million Dollars (\$2,000,000.00) for the length of the contract term.** Consultant shall submit its bills in arrears in a form approved by the Department's Fire Chief or his/her designee, the Department's Fire Board, or a combination therein. For services performed on a time and materials basis, bills shall be submitted monthly and shall show or include: (i) the task(s) performed; (ii) the time in no less than quarter hours devoted to the task(s); (iii) the hourly rate or rates of the persons performing the task(s); and (iv) copies of receipts for reimbursable materials/expenses, if any. Expenses not expressly authorized by this Agreement or by any Task Order issued hereunder, shall not be reimbursed. Reimbursable expenses may include printing, postage, and out of state travel, as stated in any approved Task Order. For services performed on a lump sum basis, bills shall be submitted upon completion of specified deliverables, as further detailed in the Task Order. Unless otherwise noted in this Agreement, payments shall be made within the normal course of Department business after presentation of an invoice in a form approved by the Department for services performed. Payments shall be made only upon the satisfactory completion of the services as determined by the Department.

Pursuant to California Revenue and Taxation Code (R&TC) Section 18662, the Department shall withhold seven percent of the income paid to Consultant for services performed within the State of California under this agreement, for payment and reporting to the California Franchise Tax Board, if Consultant does not qualify as: (1) a corporation with its principal place of business in California, (2) an LLC or Partnership with a permanent place of business in California, (3) a corporation/LLC or Partnership qualified to do business in California by the Secretary of State, or (4) an individual with a permanent residence in the State of California.

If Consultant does not qualify, Department requires reasoning as to why Consultant does not qualify, in order for payment to be made. By signing either form, the Consultant agrees to promptly notify the Department of any changes in the facts. Forms should be sent to the Department pursuant to Article 12. To reduce the amount withheld, Consultant has the option to provide Department with either a full or partial waiver from the State of California.

3. Term of Agreement. The term of this Agreement shall be from Effective Date to three (3) years from the "Effective Date" unless terminated earlier in accordance with the provisions of Article 4 below.

4. Termination.

4.1. Termination Without Cause. Notwithstanding any other provision of this Agreement, at any time and without cause, Department shall have the right, in its sole discretion, to terminate this Agreement by giving five days written notice to Consultant.

4.2. Termination for Cause. Notwithstanding any other provision of this Agreement, should Consultant fail to perform any of its obligations hereunder, within the time and in the manner herein provided, or otherwise violate any of the terms of this Agreement, Department may immediately terminate this Agreement by giving Consultant written notice of such termination, stating the reason for termination.

4.3. Delivery of Work Product and Final Payment Upon Termination. In the event of termination, Consultant, within 14 days following the date of termination, shall deliver to Department all work and materials and shall submit to Department an invoice showing the services performed, hours worked, and copies of receipts for reimbursable expenses up to the date of termination.

4.4. Payment Upon Termination. Upon termination of this Agreement by Department, Consultant shall be entitled to receive as full payment for all services satisfactorily rendered and reimbursable expenses properly incurred hereunder, an amount which bears the same ratio to the total payment specified in the Agreement as the services satisfactorily rendered hereunder by Consultant

bear to the total services otherwise required to be performed for such total payment; provided, however, that if services which have been satisfactorily rendered are to be paid on a per-hour or per-day basis, Consultant shall be entitled to receive as full payment an amount equal to the number of hours or days actually worked prior to the termination times the applicable hourly or daily rate; and further provided, however, that if Department terminates the Agreement for cause pursuant to Section 4.2, Department shall deduct from such amount the amount of damage, if any, sustained by Department by virtue of the breach of the Agreement by Consultant.

4.5. Authority to Terminate. The Board of Directors has the authority to terminate this Agreement on behalf of the Department. In addition, the Fire Chief, in consultation with Legal Counsel, shall have the authority to terminate this Agreement on behalf of the Department.

5. Indemnification. To the greatest extent permitted by California Civil Code Section 2782.8, the Consultant shall indemnify, hold harmless and reimburse for cost to defend the District and its officers and employees only to the extent permitted by law, from claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, its officers and employees during the performance of this Agreement. In no event shall the cost to defend charged to the Consultant exceed the Consultant's proportionate percentage of fault. The duty to indemnify, including the duty and the cost to defend, is limited as provided in this section.

6. Insurance. Consultant represents and warrants that it shall, at all times during the term of this Agreement, maintain the insurance in the stated amounts set forth below;

6.1 Workers' Compensation. Statutory Workers' Compensation covering all employees and complying with all laws of California and Employer's Liability Insurance with minimum limit of One Million Dollars (\$1,000,000).

6.2 Commercial General Liability. Commercial General Liability, Form CG 0001 or its equivalent (excluding professional liability coverage), providing for a limit of not less than Two Million Dollars (\$2,000,000) per occurrence and aggregate for bodily injury or property damage combined including premises/operations liability, products/completed operations liability, contractual liability and liability for Consultant's work.

6.3 Automobile. Commercial Automobile Liability insurance coverage in the sum not less than One Million Dollars (\$1,000,000) per incident for bodily injury and property damage combined including coverage for owned, non-owned, and hired automobiles.

6.4 Professional Liability. Professional Liability/Errors and Omissions, including contractual liability insurance, covering all Services performed by Consultant for or on behalf of Department in the amounts of not less than Two Million Dollars (\$2,000,000).

Consultant shall, prior to commencement of work hereunder, supply Department with certificates evidencing such insurance with a blanket additional insured endorsement attached thereto adding Department (and its partners, officer, directors, members, shareholders, employees, contractors, managers, agents, parents, affiliates, and subsidiaries) as additional insureds under the Comprehensive General Liability insurance with respect to the Services and providing for thirty (30) days' written notice to Department prior to cancellation or modification thereof. Consultant's general and auto liability insurance shall be primary, with any maintained by Department being non-contributory. Within ten (10) days of the expiration of each insurance policy required hereunder, Consultant shall furnish Department with a certificate of insurance evidencing the renewal of policy continuing insurance in force as required by this Agreement. All such certificates of insurance shall be accompanied by a blanket additional insured endorsement.

7. Prosecution of Work. The execution of this Agreement shall constitute Consultant's authority to proceed immediately with the performance of this Agreement. Performance of the services hereunder shall be completed within the time required herein, provided, however, that if the performance is delayed by earthquake, flood, high water, or other Act of God, the time for Consultant's performance of this Agreement shall be extended by a number of days equal to the number of days Consultant has been delayed.

8. Extra or Changed Work. Extra or changed work or other changes to the Agreement may be authorized only by written amendment to this Agreement, signed by both parties. Minor changes, which do not increase the amount paid under the Agreement, and which do not significantly change the scope of work or significantly lengthen time schedules may be executed by the Fire Chief or his/her designee in a form approved by Department legal review. The Department Board of Directors or Fire Chief must authorize all other extra or changed work. The parties expressly recognize that Department personnel are without authorization to order extra or changed work or waive Agreement requirements. Failure of Consultant to secure such written authorization for extra or changed work shall constitute a waiver of any and all right to adjustment in the Agreement price or Agreement time due to such unauthorized work, and thereafter Consultant shall be entitled to no compensation whatsoever for the performance of such work. Consultant further expressly waives any and all right or remedy by way of restitution and quantum merit for any and all extra work performed without such express and prior written authorization of the Department.

9. Representations of Consultant.

9.1 Standard of Care. Department has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant hereby agrees that all its work will be performed and that its operations shall be conducted in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Consultant's work by Department shall not operate as a waiver or release.

9.2 Status of Consultant. The parties intend that Consultant, in performing the services specified herein, shall act as an independent contractor and shall control the work and the manner in which it is performed. Consultant is not to be considered an agent or employee of Department and is not entitled to participate in any pension plan, worker's compensation plan, insurance, bonus, or similar benefits Department provides its employees. In the event Department exercises its right to terminate this Agreement pursuant to Article 4 above, Consultant expressly agrees that it shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees.

9.3 No Suspension or Debarment. Consultant warrants that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in covered transactions by any federal department or agency. Consultant also warrants that it is not suspended or debarred from receiving federal funds as listed in the List of Parties Excluded from Federal Procurement or Non-procurement Programs issued by the General Services Administration. If the Consultant becomes debarred, Consultant has the obligation to inform the Department.

9.4 Taxes. Consultant agrees to file federal and state tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement and shall be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes. Consultant agrees to indemnify and hold Department harmless from any liability which it may incur to the United States or to the State of California as a consequence of Consultant's failure to pay, when due, all such taxes, and obligations. In case Department is audited for compliance regarding any withholding or other applicable taxes, Consultant agrees to furnish Department with proof of payment of taxes on these earnings.

9.5 Records Maintenance. Consultant shall keep and maintain full and complete documentation and accounting records concerning all services performed that are compensable under this Agreement and shall make such documents and records available to County for inspection at any reasonable time. Consultant shall maintain such records for a period of four (4) years following completion of work hereunder.

9.6 Conflict of Interest. Consultant covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Consultant further covenants that in the performance of this Agreement, no person having any such interests shall be employed. In addition, if requested to do so by Department, Consultant shall complete and file and shall require any other person doing work under this Agreement to complete and file a "Statement of Economic Interest" with Department disclosing Consultant's or such other person's financial interests.

9.7 Nondiscrimination. Without limiting any other provision hereunder, Consultant shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religious creed, belief or grooming, sex (including sexual orientation, gender identity, gender expression, transgender, pregnancy, childbirth, medical condition's related to pregnancy, childbirth or breastfeeding), marital status, age, medical condition, physical or mental disability, genetic information, military or veteran status, or any other legally protected category or prohibited basis, including without limitation, the County's Non-Discrimination Policy. All nondiscrimination rules or regulations required by law to be included in this Agreement are incorporated herein by this reference.

9.8 AIDS Discrimination. Consultant agrees to comply with state and federal laws prohibiting discrimination in housing, employment, and services because of AIDS or HIV infection during the term of this Agreement and any extensions of the term.

9.9 Assignment of Rights. Consultant assigns to Department all rights throughout the world in perpetuity in the nature of copyright, trademark, patent, right to ideas, in and to all versions of the plans and specifications, if any, now or later prepared by Consultant in connection with this Agreement. Consultant agrees to the such actions as are necessary to protect the rights assigned to Department in this Agreement and to refrain from taking any action which would impair those rights. Consultant's responsibilities under this provision include, but are not limited to, placing proper notice of copyright on all versions of the plans and specifications as County may direct, and refraining from disclosing any versions of the plans and- specifications to any third party without first obtaining written permission of Department. Consultant shall not use or 'permit another to use the plans and specifications in connection with this or any other project without first obtaining written permission of Department.

9.11 Ownership and Disclosure of Work Product. All reports, original drawings, graphics, plans, studies, and other data or documents ("documents"), in whatever form or format, assembled or prepared by Consultant or Consultant's subcontractors, consultants, and other agents in connection with this Agreement shall be the property of Department. Department shall be entitled to immediate possession of such documents upon completion of the work pursuant to this Agreement. Upon expiration or termination of this Agreement, Consultant shall promptly deliver to Department all such documents, which have not already been provided to Department in such form or format, as Department deems appropriate. Such documents shall be and will remain the property of Department without restriction or limitation. Consultant may retain copies of the above described documents but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of Department.

9.12 Authority. The undersigned hereby represents and warrants that he or she has authority to execute and deliver this Agreement on behalf of Consultant.

10. Assignment and Delegation. Neither party hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented.

11. Method and Place of Giving Notice, Submitting Bills, and Making Payments. All notices, bills, and payments shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service. Notices, bills, and payments shall be addressed as follows:

TO: DEPARTMENT: Dustin Hall
 Deputy Chief
 1050 Wilson Blvd.
 El Dorado Hills, CA 95762
 TEL: (916) 933-6623 FAX: (916) 933-5983

TO: CONSULTANT: WLC Architects
 1110 Iron Point Road, Suite 200
 Folsom, CA 95630
 TEL: (916) 355-9922 FAX: (916) 355-9950

When a notice, bill or payment is given by a generally recognized overnight courier service, the notice, bill or payment shall be deemed received on the next business day. When a copy of a notice, bill or payment is sent by facsimile or email, the notice, bill or payment shall be deemed received upon transmission as long as (1) the original copy of the notice, bill or payment is promptly deposited in the U.S. mail and postmarked on the date of the facsimile or email (for a payment, on or before the due date), (2) the sender has a written confirmation of the facsimile transmission or email, and (3) the facsimile or email is transmitted before 5 p.m. (recipient's time). In all other instances, notices, bills, and payments shall be effective upon receipt by the recipient. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this paragraph.

12. Miscellaneous Provisions.

12.1 No Waiver of Breach. The waiver by County of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.

12.2 Construction. To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Consultant and Department acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. Consultant and Department acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

12.3 Consent. Wherever in this Agreement, the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

12.4 No Third-Party Beneficiaries. Nothing contained in this Agreement shall be construed to create, and the parties do not intend to create any rights in third parties.

12.5 Applicable Law and Forum. This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the County of El Dorado.

12.6 Captions. The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

12.7 Merger. This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. Each Party acknowledges that, in entering into this Agreement, it has not relied on any representation or undertaking, whether oral or in writing, other than those which are expressly set forth in this Agreement. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

12.8. Survival of Terms. All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason.

12.9 Time of Essence. Time is and shall be of the essence of this Agreement and every provision hereof.

IN WITNESS, WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

CONSULTANT:

By: WLC Architects

Name: _____

Title: _____

Date: _____

DEPARTMENT:

EL DORADO HILLS FIRE DEPARTMENT

CERTIFICATES OF INSURANCE ON
FILE WITH AND APPROVED AS TO
SUBSTANCE FOR DEPARTMENT:

By: _____

Title: _____

Date: _____

APPROVED AS TO FORM FOR DEPARTMENT:

By: _____

Title: Fire Chief

Date: _____

By: _____

Title: President – Board of Directors

Date: _____



El Dorado Hills Fire Department

1050 Wilson Blvd. • El Dorado Hills, CA 95762 • Phone (916) 933-6623 • Fax (916) 933-5983

Maurice Johnson
Fire Chief

DATE: November 6, 2019

TO: Board of Directors

AGENDA ITEM: IV.B.1

SUBJECT: Approval of the El Dorado Hills Professional Firefighters, Local 3604, Memorandum of Understanding (MOU) and the Unrepresented Safety Management, Non-Safety Management, and Non-Safety Administrative Support Employees Salary and Benefits

TOPIC

El Dorado Hills Professional Firefighters, Local 3604, Memorandum of Understanding and Unrepresented Safety Management, Non-Safety Management, and Non-Safety Administrative Support Employees Salary and Benefits.

SUMMARY

Staff seeks Board approval to adopt the revised El Dorado Hills Professional Firefighters, Local 3604, Memorandum of Understanding and Unrepresented Safety Management, Non-Safety Management, and Non-Safety Administrative Support Employees Salary and Benefits.

DISCUSSION

A. EL DORADO HILLS PROFESSIONAL FIREFIGHTERS, LOCAL 3604 MOU

After meeting over the past several months, the negotiating teams for the Department and the El Dorado Hills Professional Firefighters (EDHPFF), Local 3604, have reached a tentative agreement, which is reflected in the proposed Memorandum of Understanding (MOU). This MOU was voted on and approved by a majority of the EDHPFF membership on September 23, 2019, and is presented to the Board of Directors tonight for consideration and approval. This agreement covers the period of October 1, 2019 through June 30, 2023. Attached is the previous MOU showing the agreed upon changes along with a clean copy of the new MOU. The significant changes to the MOU are summarized below:

1. The MOU will be effective from October 1, 2019 through June 30, 2023.
2. The classification of Battalion Chief petitioned to join and was voted in to Local 3604, therefore this position has been added to this recognized bargaining unit and MOU.

3. Cost of Living Adjustments

- Effective October 1, 2019, employees shall receive a 2% increase to base salary.
- Effective the first full pay period after July 1, 2020, employees shall receive a three percent (3%) increase to base salary.
- Effective the first full pay period after July 1, 2021, employees shall receive a two and a half percent (2.5%) increase to base salary.
- Effective the first full pay period after October 1, 2021, a one percent (1%) increase to base salary will be awarded to all ranks represented by the EDHPFF if growth in the El Dorado Hills Property Tax Revenue for Fiscal Year (FY) 2020-21 exceeds five percent (5%). For the salary adjustment, the percent change in property tax revenue will be calculated using the actual property tax revenue for (FY) 2020-21 and the property tax revenue estimate provided by El Dorado County for (FY) 2021-22.
- Effective the first full pay period after July 1, 2022, employees shall receive a two and one-half percent (2.5%) increase to base salary.

4. Cash in Lieu of Group Health Insurance

- Employees that elect to waive coverage under the Department's medical insurance program beginning the first open enrollment period after adoption of the MOU, shall be compensated five-hundred dollars (\$500) per month payable over twenty-six (26) pay periods. This payment shall be in addition to their regular monthly compensation and is in-lieu of the Department provided medical insurance benefits.

5. Health Insurance

- Effective January 1, 2020, the Department shall contribute a maximum monthly amount of one hundred percent (100%) of the third highest cost plan offered in CalPERS Region 1 at the tier the employee elects.
- Effective January 1, 2021, the Department shall contribute a maximum monthly amount of one hundred percent (100%) of the fourth highest cost plan offered in CalPERS Region 1 at the tier the employee elects.
- Effective January 1, 2022, the Department shall contribute a maximum monthly amount of one hundred percent (100%) of the fifth highest cost plan offered in CalPERS Region 1 at the tier the employee elects.

6. Health Reimbursement Arrangement, Dental and Vision Insurance

Employees hired prior to October 1, 2019, have the option to keep the existing Health Reimbursement Arrangement (HRA) or elect coverage under the Department-sponsored Dental and Vision insurance. For those employees who

elect to maintain the HRA benefit, the Department will make the following contribution on the last day of each pay period, to an accumulating fund (the Fund) for dental and vision care for participating employees and their dependents:

- \$ 66.92 for an employee with no dependents;
- \$ 80.77 for an employee with one dependent;
- \$103.85 for an employee with two or more dependents.

For those employees who elect insurance coverage, the Department will pay one hundred percent (100%) of the premium for the Department-sponsored dental and vision insurance plan. Once an employee elects insurance coverage, the change is irrevocable and the employee may not go back to participating in the HRA.

Employees who enroll in insurance coverage may keep any existing HRA balance as of the last day before the insurance becomes effective and will be able to use it for future qualifying expenditures until it runs out. However, the Department will make no further contributions to the HRA on behalf of employees enrolled in the dental and vision insurance plan.

For employees hired on or after October 1, 2019, the Department will pay one hundred percent (100%) of the premium for the Department-sponsored dental and vision insurance plan. New employees are not eligible to participate in the HRA.

7. Retirement Contribution

Classic Safety Tier 1 Members (Employees hired before November 27, 2012) and Classic Safety Tier 2 Members (Employees hired after November 26, 2012): Effective the first pay period following July 1, 2020, through contract amendment with the California Public Employees Retirement System (CalPERS) for cost sharing, Classic Safety Tier 1 and Tier 2 employees shall contribute an additional one and one-half percent (1.5%), for a total of ten and one half percent (10.5%) of their CalPERS reportable compensation (excluding Employer Paid Member Contribution (EPMC)) to the employer's percentage contribution to CalPERS.

Effective the first pay period following July 1, 2021, through contract amendment with CalPERS for cost sharing, Classic Safety Tier 1 and Tier 2 employees shall contribute an additional one and one-half percent (1.5%), for a total of twelve percent (12%) of their CalPERS reportable compensation (excluding EPMC) to the employer's percentage contribution to CalPERS.

B. UNREPRESENTED EMPLOYEES

Also included for the Boards consideration are amendments to the Unrepresented Safety Management, Non-Safety Management, and Non-Safety Administrative Support employees salary and benefits in which revisions were made, consistent with the modifications proposed with the EDHPFF. If approved, those employees not represented by a union will have their salaries and benefits modified in the same manner as the members of EDHPFF.

The only item that is proposed to be different for unrepresented employees is the Department maximum contribution towards healthcare. Staff is proposing to provide the unrepresented employees with a different Department maximum health contribution of:

1. Effective January 1, 2020, the Department shall contribute a maximum monthly amount of up to two thousand nine hundred thirty-two dollars and twenty cents (\$2,932.20).
2. Effective January 1, 2021, the Department shall contribute a maximum monthly amount of two thousand eight hundred fifty dollars (\$2,850.00).

FISCAL IMPACT

The estimated cost for the salary and benefit increase for EDHPFF employees in FY 2019/2020 is \$32,697. The estimated total cost for EDHPFF employees for the term of October 1, 2019 – June 30, 2023 is \$1,562,697

The estimated cost for the salary and benefits increase for unrepresented employees in FY 2019/2020 is \$10,819. The estimated cost for unrepresented employees for the term of October 1, 2019 – June 30, 2023 is \$342,630.

The estimated cost impact is reflected in the enclosed chart.

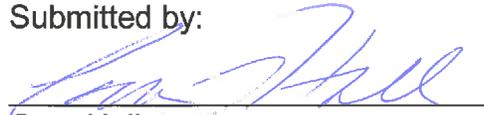
RECOMMENDATION

(1) Approve the Memorandum of Understanding (MOU) with the El Dorado Hills Professional Firefighters (EDHPFF), Local 3604, for the period of October 1, 2019 through June 30, 2023 and (2) Approve the Unrepresented Safety Management, Non-Safety Management, and Non-Safety Administrative Support Salary and Benefits for the period of October 1, 2019 through June 30, 2023.

ATTACHMENTS

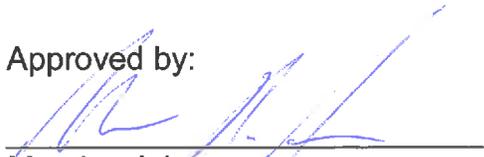
1. Resolution Approving the EDHPFF MOU
2. Resolution Approving Salary and Benefits for Unrepresented Employees
3. EDHPFF MOU (Final/Clean Version)
4. EDHPFF MOU (Draft/Track Changes)
5. Unrepresented Non-Safety Administrative Support Salary and Benefits (Draft/Track changes)
6. Unrepresented Non-Safety Administrative Support Salary and Benefits (Final/Clean)
7. Unrepresented Non-Safety Management Salary and Benefits (Draft/Track Changes)
8. Unrepresented Non-Safety Management Salary and Benefits (Final/Clean)
9. Unrepresented Safety Management Salary and Benefits (Draft/Track Changes)
10. Unrepresented Safety Management Salary and Benefits (Final/Clean version)
11. Fiscal Impact Analysis from October 1, 2019 – June 30, 2023
12. Public Salary Schedule Effective October 8, 2019

Submitted by:



Cora Hall
Director of Human Resources

Approved by:



Maurice Johnson
Fire Chief

El Dorado Hills Fire Department
Cost Impact Analysis
MOU & Proposed Wages & Benefits Agreements

Negotiated Item	Estimated Cost Impact				Grand Total
	2019/20	2020/21	2021/22	2022/23	
LOCAL 3604					
2% Salary Increase, 10/1/2019	44,886	179,544	179,544	179,544	583,517
3% Salary Increase, 7/1/2020		274,702	274,702	274,702	824,106
Optional 1% Salary Increase, 7/1/2021			94,314	94,314	188,629
2.5% Salary Increase, 7/1/2021			238,144	238,144	476,287
2.5% Salary Increase, 7/1/2022				244,097	244,097
1.5% PERS EE Contribution, 7/1/2020		(89,310)	(92,435)	(94,746)	(276,491)
1.5% PERS EE Contribution, 7/1/2021			(92,435)	(94,746)	(187,181)
Dental/Vision HRA Increase	8,700	17,400	17,400	17,400	60,900
1959 Survivor Benefit Tier 4	4,601	4,601	4,601	4,601	18,404
Healthcare Cap Savings 2020 (Actual)	(419)	(838)	(838)	(838)	(2,932)
Healthcare Cap Savings 2021 (Minimum)	-	(23,821)	(47,642)	(47,642)	(119,106)
Healthcare Cap Savings 2022 (Minimum)	-	-	(18,829)	(37,657)	(56,486)
\$500 Cash In-Lieu Savings	(25,071)	(52,649)	(55,282)	(58,046)	(191,047)
Subtotal Local 3604	\$ 32,697	\$ 309,629	\$ 501,244	\$ 719,127	\$ 1,562,697
Unrepresented Employees					
2% Salary Increase, 10/1/2019	8,869	35,475	35,475	35,475	115,294
3% Salary Increase, 7/1/2020		54,277	54,277	54,277	162,830
Optional 1% Salary Increase, 7/1/2021			18,635	18,635	37,270
2.5% Salary Increase, 7/1/2021			47,053	47,053	94,107
2.5% Salary Increase, 7/1/2022				48,230	48,230
1.5% PERS EE Contribution, 7/1/2020		(22,231)	(23,009)	(23,584)	(68,823)
1.5% PERS EE Contribution, 7/1/2021			(23,009)	(23,584)	(46,593)
Dental/Vision HRA Increase	1,950	3,900	3,900	3,900	13,650
Healthcare Cap Savings 2020 (Actual)	-	-	-	-	-
Healthcare Cap Savings 2021 (Minimum)	-	(2,589)	(5,179)	(5,179)	(12,947)
Healthcare Cap Savings 2022 (Minimum)	-	-	(129)	(259)	(388)
\$500 Cash In-Lieu Savings	-	-	-	-	-
Subtotal Unrepresented	\$ 10,819	\$ 68,832	\$ 108,014	\$ 154,965	\$ 342,630
Total District	\$ 43,516	\$ 378,461	\$ 609,259	\$ 874,091	\$ 1,905,327

EL DORADO HILLS COUNTY WATER DISTRICT

RESOLUTION NO. 2019-13

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE EL DORADO HILLS
COUNTY WATER DISTRICT APPROVING THE EL DORADO HILLS
PROFESSIONAL FIREFIGHTERS MEMORANDUM OF UNDERSTANDING**

WHEREAS, negotiations with the representatives of the El Dorado Hills Professional Firefighters, International Association of Firefighters Local 3604, have successfully concluded, as reflected in the proposed El Dorado Hills Professional Firefighter Memorandum of Understanding for the period of October 1, 2019 through June 30, 2023; and,

WHEREAS, the parties have met and conferred in good faith and reached a tentative agreement on September 17, 2019; and,

WHEREAS, the members of the El Dorado Hills Professional Firefighters have approved the proposed Memorandum of Understanding by a majority vote on September 23, 2019; and,

WHEREAS, the Board of Directors for the El Dorado County Water District wishes to approve the El Dorado Hills Professional Firefighter Memorandum of Understanding; and,

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the El Dorado Hills County Water District, that the El Dorado Hills Professional Firefighter Memorandum of Understanding is hereby approved.

The foregoing resolution was passed and adopted by the Board of Directors of the El Dorado Hills County Water District at a meeting of said Board held on the 6th day of November 2019 by the following vote:

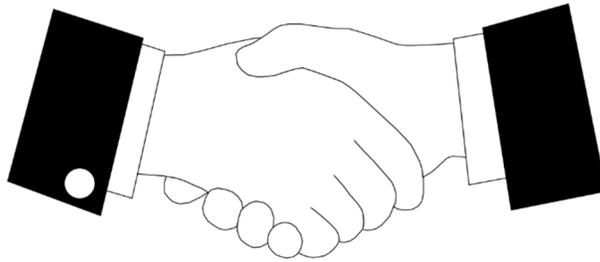
AYES:
NOES:
ABSENT:

ATTEST:

Jessica Braddock, Board Secretary

John Girauda, President

**MEMORANDUM
OF
UNDERSTANDING**



**EL DORADO HILLS COUNTY WATER
DISTRICT (FIRE DEPARTMENT) AND EL
DORADO HILLS PROFESSIONAL
FIREFIGHTERS**

October 1, 2019 - June 30, 2023

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MEMORANDUM OF UNDERSTANDING

I. GENERAL

- A. El Dorado Hills Professional Firefighters, International Association of Firefighters Local 3604, (EDHPFF) and representatives of the El Dorado Hills County Water District, alternatively referred to as El Dorado Hills Fire Department (Department) have met and conferred in good faith regarding wages, benefits, hours and other terms and conditions of employment with respect to employees of the Department, have exchanged freely, information, opinions and proposals and have endeavored to reach agreement on all matters relating to the employment conditions and employer-employee relations of such employees. The Department recognizes the EDHPFF as the sole and exclusive representative of all Department employees in the following classes (collectively, the Bargaining Unit): Battalion Chief, Captain/Paramedic, Captain, Engineer/Paramedic, Engineer, and Firefighter/Paramedic.
- B. This Memorandum of Understanding (MOU) is entered into pursuant to the Meyers-Milias-Brown Act (California Government Code Sections 3500-3510) and has been jointly prepared by the parties.
- C. This MOU shall be presented by the EDHPFF to the employees in the Bargaining Unit for ratification by said employees, and shall thereafter be presented to the Board of Directors, as the joint recommendations of the undersigned for salary and employee benefit adjustments for the period commencing October 1, 2019 and ending June 30, 2023.
- D. This MOU cancels all previous agreements and shall supersede any policies, practices or ordinance provisions with which it may be in conflict.

II. AUTHORIZED AGENTS

For the purpose of administering the terms and provisions of this MOU, the following authorized agents have been designated:

El Dorado Hills County Water District
Fire Chief
1050 Wilson Blvd.
El Dorado Hills, CA. 95762

El Dorado Hills Professional Firefighters
Local 3604 Union President
3941 Park Dr. 20-235
El Dorado Hills, CA. 95762

III. DEPARTMENT AND EMPLOYEE RIGHTS

A. Department Rights

Department retains, solely and exclusively, all the rights, powers and authority exercised or held prior to the execution of this MOU, except as expressly limited by a specific provision of this MOU. Without limiting the generality of the foregoing, the rights, powers, and authority retained solely and exclusively by Department and not abridged herein, include, but are not limited to, the following: To manage and direct its business and personnel; to manage, control, and determine the mission of its departments, building facilities, and operations; to create, change, combine or abolish jobs, departments and facilities in whole or in part; to direct the work force; to increase or decrease the work force and determine the number of employees needed; to hire, transfer, promote, and maintain the discipline and efficiency of its employees; to establish work standards, schedules of operations and reasonable work load; to specify or assign work requirements and require overtime; to schedule working hours and shifts; to adopt rules of conduct; to determine the type and scope of work to be performed by Department employees and the service to be provided; to classify positions, to establish initial salaries of new classifications and to take whatever action necessary to prepare for and operate in an emergency.

B. Employee Rights

The employee retains all rights conferred by applicable local, state and federal laws and in accordance with Section 3500 of the California Government Code.

IV. UNION DUES

A. It is recognized that all employees in the Bargaining Unit may or may not join the EDHPPF, at the individual's discretion, and that no such employee shall be required to become a member of the EDHPPF as a condition of initial or continued employment with the Department.

B. As provided by California law, the Department will deduct voluntary union membership dues from the paycheck of an employee in the Bargaining Unit upon certification by the EDHPPF that the EDHPPF has and will maintain a signed authorization by the employee permitting deduction of union dues. The EDHPPF agrees to indemnify the Department against any liability arising from dues collected by the Department on behalf of the EDHPPF in reliance on this certification. Requests by employees to change or cancel union dues deductions shall be directed to the EDHPPF.

V. SENIORITY

A. The Department shall establish a seniority list of regular status employees in the EDHPPF, which shall be updated by the Department by October 1st of each year and

be posted on the Department intranet. Unless an objection to the seniority list as posted is made to the EDHPPF and the Department by an employee within thirty (30) days from the day such list is posted, the list will be considered accurate and final.

- B. Department seniority shall be based on total unbroken years of service in the Department as a full-time regular employee receiving benefits. The actual date of hire shall be used for this determination.
- C. In the event two (2) or more persons are hired on the same calendar date, seniority in the Department shall be determined in accordance with their respective standing on the entry level hiring list. The employee attaining the highest numerical standing shall be more senior.
- D. In the event two (2) or more persons are promoted on the same calendar date, seniority in rank only shall be determined in accordance with the numerical standing on the ranked list established prior to the final Fire Chief Interview. The employee with the highest standing shall be more senior.

VI. TERMS AND CONDITIONS OF EMPLOYMENT

A. Salaries

1. Captain/Paramedic base salary is formulated at four percent (4%) above a Captain base salary. An Engineer/Paramedic base salary is formulated at five percent (5%) above an Engineer base salary.
2. Probationary Firefighter/Paramedics will remain at salary step 1 from date of hire until graduation from the Academy. Probationary Firefighter/Paramedics may be eligible to move to salary step 2 after graduation of the Academy and will remain at salary step 2 until completion of the probationary period. After completion of the probationary period, remaining salary step increases may be eligible annually on or after the anniversary date. At the discretion of the Fire Chief, lateral Probationary Firefighter/Paramedics may be hired at a salary step higher than salary step 1.
3. Employees may be eligible for a step increase annually on or after the anniversary date.
4. An employee shall remain in a salary step for a period of one (1) year before being eligible for a step increase.
5. An employee's salary step increase will be the first day of the first full pay period on or after the anniversary date of the position.
6. A salary step increase is not an automatic payroll adjustment. Eligibility for a salary step increase will be based upon the employee's performance and length of service.

7. Employees shall receive the following Cost of Living Adjustments:

- a. Effective the first full pay period on or after October 1, 2019, employees shall receive a two percent (2%) increase to base salary. Reference the below salary schedule:

STEPS		1	2	3	4	5	6	7	8
BATTALION CHIEF	Monthly	10,456	10,928	11,424	11,944	12,489			
CAPTAIN/ PARAMEDIC	Monthly	8,555	8,983	9,431	9,903	10,398			
CAPTAIN	Monthly	8,227	8,638	9,070	9,524	10,000			
ENGINEER/ PARAMEDIC	Monthly	7,534	7,912	8,307	8,723	9,158			
ENGINEER	Monthly	7,172	7,531	7,909	8,303	8,718			
FIREFIGHTER/ PARAMEDIC	Monthly	5,890	6,185	6,494	6,819	7,159	7,518	7,893	8,288

- b. Effective the first full pay period on or after July 1, 2020, employees shall receive a three percent (3%) increase to base salary. The salary schedule will be available at the time of this scheduled salary increase.
- c. Effective the first full pay period on or after July 1, 2021, employees shall receive a two and one-half percent (2.5%) increase to base salary. The salary schedule will be available at the time of this scheduled salary increase.
- d. Effective the first full pay period on or after October 1, 2021, a one percent (1%) increase to base salary may be awarded to all ranks represented by the EDHPFF if growth in the El Dorado Hills Property Tax Revenue for Fiscal Year (FY) 2021-22 exceeds five percent (5%). For the salary adjustment, the percent change in property tax revenue will be calculated using the actual property tax revenue for (FY) 2020-21 and the property tax revenue estimate provided by El Dorado County for (FY) 2021-22.
- e. Effective the first full pay period on or after July 1, 2022, employees shall receive a two and one-half percent (2.5%) increase to base salary. The salary schedule will be available at the time of this scheduled increase.

8. No employee shall be involuntarily reassigned, through promotion, demotion or other action, to a forty (40) hour schedule.
9. Any employee assigned to a forty (40) hour schedule (suppression or administrative) shall receive a twelve percent (12%) increase to their base hourly rate of pay. Employees who have been approved to work a light duty assignment are not eligible to receive the twelve percent (12%) increase to their base salary. The employee's rate of pay shall be calculated by multiplying the hourly rate of pay applicable to employees on a suppression shift schedule (*including the 12% increase, if applicable*) then multiplying this number by 1.4.
10. Constant Fair Labor Standards Act (FLSA) will be paid at a standard rate of three (3) hours per week at the employee's rate of pay, then multiplied by 1.5. Only employees assigned to a fifty-six (56) hour suppression schedule are eligible for FLSA pay.
11. The following is the formula for converting fifty-six (56) hour position leave to forty (40) hour position leave:

Hours on books divided by 1.4 = Converted Time;
The same formula will be used to calculate accrual rates.
12. The following is the formula for converting forty (40) hour position leave to fifty-six (56) hour position leave:

Hours on books multiplied by 1.4 = Converted Time;
The same formula will be used to calculate accrual rates.

B. Duty Hours and Schedule

1. The work schedule for employees assigned to fire suppression shifts shall consist of two (2) consecutive twenty-four (24) hour shifts on duty, followed by four (4) consecutive days off, as follows:

X X O O O O X X O O O O

Where: X = 24 consecutive hours ON DUTY
O = 24 consecutive hours OFF DUTY
2. Employees assigned to an administrative forty (40) hour schedule are eligible to work a modified schedule, such as a "Flex 9/80" or "4/10" or other modified schedule at the discretion of the Fire Chief.
3. Employees shall be notified of shift assignments for the following year no later than October 1st. All shift assignment rotations shall occur during or after the second week of January. The shift assignment rotation schedule for each rotation period shall be posted thirty (30) days after shift assignment notification. Notwithstanding anything contained within this MOU, the Fire Chief shall retain the authority to make individual shift reassignments as necessary for personnel or operational reasons.

C. Shift/Station Bidding

Shift bid requests should start biannually on or before September 1st to accommodate the Department's obligation to post shift assignments by October 1st. Operationally, shift bid assignments are for a twenty-four (24) month period beginning on or before January 21st. Shift bidding shall be based upon the promotional (in rank) seniority list. The EDHPFF will be responsible for the facilitation, execution, and overall supervision of the shift bidding process. Shift bid packets shall consist of a seniority list, bid dates and times, and an appropriate calendar. Shift bidding is based on hire or promotional seniority date starting with the highest seniority employee bidding first for each respective rank. Each employee shall observe his or her assigned shift bid time. An employee may not bid before his or her assigned time. Employees that fail to bid within the appropriate time window shall not bump, remove, or replace another employee shift bid/station assignment regardless of seniority. At the close of the shift bid, the Fire Chief or designee at his or her discretion, shall place any employee that has failed to bid at his or her designated time into the remaining open shift assignments.

1. During the shift bidding process, each employee will be notified of available stations and shifts including current assignments from previous bids.
2. The Fire Chief or designee may place employees into open slots for shift assignment prior to the initiation of the shift bidding process to meet the operational goals for that employee under the priority situations as follows:
 - a. Probationary- Firefighters, Engineers, Captains;
 - b. Professional Development & Performance Improvement-Mentor and/or Trainee;
 - c. As part of Disciplinary Enforcement.
3. Shift bidding shall be based on a four (4) tier bidding process beginning first with the rank of Battalion Chief until all open slots have been filled.
4. The next tier of the shift bidding process continues with the ranks of Captain and Captain/Paramedic until all open Captain and Captain/Paramedic slots have been filled.
5. The next tier of the shift bidding process continues with the ranks of Engineer and Engineer/Paramedic until all open Engineer and Engineer/Paramedic slots have been filled.
6. The next tier of the shift bidding process continues with the rank of Firefighter /Paramedic until all open Firefighter /Paramedic slots have been filled.
7. After shift assignments have been established and posted, and an operational need arises due to promotions, retirements, dismissal, unresolved conflict, or medical leave, the Deputy Chief of Operations shall request voluntary movement from all

personnel. If more than one (1) qualified employee volunteers for movement, the Deputy Chief of Operations shall consider the following:

- a. Hire or Promotional Date Seniority (Most Senior Employee);
 - b. Situational Priority.
8. After shift assignments have been established and posted, and an operational need arises due to promotions, retirements, dismissal, unresolved conflict, or medical leave, and after the Deputy Chief of Operations requested voluntary movement from all personnel and no volunteers come forward, the Deputy Chief of Operations shall consider the following:
- a. Hire or Promotional Date Seniority (Least Senior Employee);
 - b. Situational Priority.

D. Call Back Compensation

1. Defined

When an employee returns to work because of a Department request, after the employee has completed his or her normal work shift and left the work station (“Call Back”), the employee shall be credited with a minimum of two (2) hours plus any hours of work in excess of two (2) hours in which the employee is continuously engaged in work for which he or she was called back.

2. Compensation

Call Back time shall be paid as overtime and shall be paid in accordance with the overtime provisions set forth in Section VI.F. below.

E. Uniform Allowance and Class-A Uniform Reimbursement

Each employee shall receive an annual uniform allowance of eight hundred dollars (\$800.00), payable in two (2) equal installments on the first full pay period of July and January. All employees shall receive a uniform allowance regardless of their schedule or assignment.

The Department shall also provide a one-time reimbursement to each employee for the cost of one (1) “Class-A” uniform up to a maximum of five-hundred dollars (\$500.00). Reimbursement will be allowed only after the employee has completed his or her probationary period and the reimbursement request is accompanied by a detailed receipt.

For employees who have already purchased a “Class-A” uniform but do not have a detailed receipt, reimbursement shall be made after verification that the employee has the “Class-A” uniform in their possession.

F. Overtime

1. Authorization

The Fire Chief or designee may require, and shall authorize, the performance of any overtime work in advance of the overtime being worked. If prior authorization is not feasible because of emergency conditions, a confirming authorization must be made on the next regular working day or as soon after as possible.

2. Compensation

Employees shall receive overtime compensation at one and one-half (1.5) times the employee's base hourly rate of pay for every hour worked outside the employee's regular schedule, excluding shift trades. In addition, employees shall receive overtime compensation at one and one-half (1.5) times the employee's base hourly rate of pay for regularly scheduled hours in excess of one hundred eighty-two (182) hours each twenty-four (24) day FLSA cycle, as defined below in Section VI.F.3.a.. Base hourly rate of pay for shift personnel shall be determined on the basis of two-thousand nine hundred twelve (2912) hours per year. Base hourly rate of pay for non-shift employees shall be determined as defined in Section VI.A.10.

Employees assigned to a forty (40) hour schedule that work suppression shift overtime hours shall be paid one and one-half (1.5) times the suppression shift base hourly rate of pay for those hours.

3. Work Week / Work Period

a. The Department has established a twenty-four (24) day work period for all eligible fire suppression employees, regardless of rank, pursuant to Section 207(k) of the FLSA. Pursuant to Section 207(k) of the FLSA, hours worked in excess of one hundred eighty-two (182) hours in each twenty-four (24) day work period shall be considered FLSA overtime.

b. The FLSA workweek shall begin at 12:00 a.m. on Monday and ends at 11:59 p.m. the following Sunday.

4. FLSA "Rollup" Pay

In the event an employee's contractual compensation in a given work period is less than the minimum amount required under the FLSA, the Department will pay the difference to the employee on the regularly scheduled pay day following the end of the pay period.

G. Pay Days

Paydays shall be bi-weekly on Friday, unless a payday falls on a holiday, in which case the regular workday immediately prior to the holiday will be the appropriate payday.

H. Education and Certification Incentives

In addition to the base salaries set forth in Section A hereof, employees with the following education degrees and certifications shall receive additional compensation as specified below.

To be compensated for an Associate's, Bachelor's, or Master's Degree, the employee must submit an official copy of their transcripts to the Department. The official transcripts should be mailed directly from the college or university where the degree was attained to the Department addressed c/o Director of Human Resources - Confidential. The official transcripts must be from a regionally or nationally accredited school, recognized by the United States Department of Education or the Council for Higher Education Accreditation (CHEA). (Exceptions to this rule must be approved by the Fire Chief, or by appeal to the Board of Directors.)

To be compensated for a certification incentive, the employee must submit a copy of their certificate to the Director of Human Resources. A copy of the certificate will be retained in the Department files. Incentives are paid in equal increments over twenty-six (26) pay periods during the calendar year.

1. Education Incentive

All education incentives are non-stackable. Employees shall receive the following monthly education incentive pay, which is subject to the same limitations and requirements outlined above:

- AA/AS: \$250
- BA/BS: \$500
- MA/MS: \$750

2. Certification Incentives

All certification incentives are non-stackable, however one (1) may be paid in addition to an education incentive. Employees shall receive the following monthly certification incentive pay, which is subject to the same limitations and requirements outlined above:

- Company Officer*: \$250
- Chief Fire Officer***: \$500

*In order to receive the Company Officer incentive, the employee must either hold a Company Officer certification, or have successfully completed the following required classes and have submitted proof of successful course completion for each course listed below to the Director of Human Resources:

- Instructor 1

- Company Officer 2A
- Company Officer 2B
- Company Officer 2C
- Company Officer 2D
- Company Officer 2E

**In order to receive the Chief Fire Officer incentive, the employee must hold the position of Battalion Chief or Acting Battalion Chief and possess a Chief Fire Officer certification.

I. Paramedic Compensation and Reimbursement

1. Battalion Chiefs that are paramedics and that are in good standing with County Accreditation, are eligible for paramedic incentive pay of two-hundred dollars (\$200) per month.
2. Paramedics must be a paramedic in good standing with County Accreditation to be eligible for paramedic pay.
3. The Department shall reimburse paramedic personnel for fees, with the exception of late fees incurred in the maintenance of the following certifications (Reimbursement shall include class tuition and associated class materials; if required to attend the class offsite, applicable overtime or wages will be paid for class time only. Mileage reimbursement will not be paid for driving to and from the class.):
 - a. ACLS – Advanced Life Support (Bi-annual certification).
 - b. PALS/PEPP – Pediatric Advanced Life Support (Bi-annual certification).
 - c. FTOs ONLY - ITLS or BTLS or PHTSL – International or Basic or Pre-Hospital Trauma Life Support.
 - d. Class fees shall be reimbursed upon documentation of successful completion and shall not exceed two-hundred dollars (\$200) per class.
 - e. The Department shall reimburse the fee for the State Paramedic License.
 - f. The Department shall reimburse field training officers for internships and field accreditation up to the amount the Department is reimbursed by the Joint Power Authority (JPA).

J. Out of Grade Pay or Acting Position (Does not include shift trades)

1. When a Firefighter/Paramedic has been assigned as an Acting Engineer or Acting Captain in the absence of a regular shift Engineer or Captain, for a period of one (1) or more hours in a shift, he or she shall receive a five percent (5%) salary increase for the hours worked in that position.

2. When a Firefighter/Paramedic has been assigned as a Water Tender Operator for a period of one (1) or more hours in a shift, he or she shall receive a five percent (5%) salary increase for the hours worked in that position.
3. When an Engineer has been assigned as an Acting Captain in the absence of the regular shift Captain for a period of one (1) or more hours in a shift, he or she shall receive a five percent (5%) salary increase for the hours worked in that position.
4. When a Captain has been assigned as an Acting Battalion Chief in the absence of the regular shift Battalion Chief for a period of one (1) or more hours in a shift, he or she shall receive a five percent (5%) salary increase for the hours worked in that position.
5. Assignment of acting positions shall be at the discretion of the Fire Chief or designee.
6. Minimum qualifications for Acting Engineer, Acting Captain, and Acting Battalion Chief positions shall be established by the Fire Chief.
7. Eligibility for Acting Engineer, Captain, and Battalion Chief positions does not entitle the employee to fill a permanent position when available. Testing to fill a permanent position will be completed separately.

K. Downgrading (Does not include shift trades)

Employees may voluntarily “downgrade” and work at a lower rank under the following circumstances:

1. The employee is qualified to work in the capacity of the position being filled (i.e. Paramedic, Engineer, etc.).
2. The position being filled by the downgrading employee is to avoid a mandatory fill of that position.
3. Downgrading may occur after being authorized by the Fire Chief or designee.
4. Employees who wish to downgrade and work at a lower rank shall have the same authority as that of the position they are filling.
5. Employees who wish to downgrade and work at a lower rank shall be paid at their normal overtime rate of pay.

L. Longevity Pay

The Department shall provide longevity pay as set forth hereinafter. All personnel shall receive an annual longevity pay disbursement per the following schedule and paid in equal increments over twenty-six (26) pay periods during the calendar year.

Upon Completion of Years of Service	Annual Pay
10	\$2,500
15	\$2,750
20	\$3,000
25	\$3,500
30	\$4,000

*Note: Years of Service must be as a paid employee of the Department and continuous, without interruption. Longevity pay increases shall be effective on the first full pay-period on or after the employee's anniversary date.

VII. RETIREMENT

A. Classic Safety (Tier 1) Members

Employees hired before November 27, 2012, shall be covered by the California Public Employees Retirement System (CalPERS) Three Percent (3%) at Fifty (50) formula for Safety Members, with the 1959 Survivor Benefits at the Fourth Level (Section 21573), with One Year Final Compensation (Section 20042) and other stipulations per contract with CalPERS currently in effect. The Department shall treat Employer-Paid Member Contributions (EPMC) as CalPERS reportable compensation.

Classic Safety (Tier 1) employees shall contribute nine percent (9%) of their CalPERS reportable compensation (exclusive of EPMC) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

Effective the first full pay period following July 1, 2020, through contract amendment with CalPERS for cost sharing, Classic Safety (Tier 1) employees shall contribute an additional one and one-half percent (1.5%), for a total of ten and one half percent (10.5%) of their CalPERS reportable compensation (excluding EPMC) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

Effective the first full pay period following July 1, 2021, through contract amendment with CalPERS for cost sharing, Classic Safety (Tier 1) employees shall contribute an additional one and one-half percent (1.5%), for a total of twelve percent (12%) of their CalPERS reportable compensation (excluding EPMC) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied

towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

B. Classic Safety (Tier 2) Members

Employees hired after November 26, 2012, who are not a "new member" as defined by the Public Employees' Pension Reform Act (PEPRA), shall be covered by the CalPERS Three Percent (3%) at Fifty-Five (55) formula for Safety Members, with the 1959 Survivor Benefits at the Fourth Level (Section 21573), with Three Years Final Compensation (Section 20042) and other stipulations per contract with CalPERS currently in effect. The Department shall treat EPMC as CalPERS reportable compensation.

Classic Safety (Tier 2) employees shall contribute nine percent (9%) of their CalPERS reportable compensation (exclusive of EPMC) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

Effective the first full pay period following July 1, 2020, through contract amendment with CalPERS for cost sharing, Classic Safety (Tier 2) employees shall contribute an additional one and one-half percent (1.5%), for a total of ten and one-half percent (10.5%) of their CalPERS reportable compensation (excluding EPMC) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

Effective the first full pay period following July 1, 2021, through contract amendment with CalPERS for cost sharing, Classic Safety (Tier 2) employees shall contribute an additional one and one-half percent (1.5%), for a total of twelve percent (12%) of their CalPERS reportable compensation (excluding EPMC) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

C. New Members (Tier 3)

Employees who are "new members" as defined by PEPRA, shall be covered by the CalPERS Two and Seven Tenths Percent (2.7%) at 57 formula for Safety Members, with the 1959 Survivor Benefits at the Fourth Level (Section 21573), with Three Years Compensation (Section 20042) and other stipulations per contract with CalPERS currently in effect.

Employees shall contribute one-half (1/2) of the normal cost rate as defined by CalPERS. This contribution may fluctuate with fluctuations in the normal cost rate.

VIII. HEALTH AND WELFARE BENEFITS

A. Health Insurance

1. Department shall continue its participation in the CalPERS Health Program. Employees covered by this MOU shall be eligible for group health insurance the first day of the month following the date of hire.
2. Effective January 1, 2020, the Department shall contribute a maximum monthly amount of up to one hundred percent (100%) of the third highest cost plan offered in CalPERS Region 1 at the tier the employee elects.
3. Effective January 1, 2021, the Department shall contribute a maximum monthly amount of up to one hundred percent (100%) of the fourth highest cost plan offered in CalPERS Region 1 at the tier the employee elects.
4. Effective January 1, 2022, the Department shall contribute a maximum monthly amount of up to one hundred percent (100%) of the fifth highest cost plan offered in CalPERS Region 1 at the tier the employee elects.

B. Cash In-Lieu of Group Health Insurance

1. Employees that elect to waive coverage under the Department's health insurance program, beginning the first open enrollment period after adoption of this MOU, shall be compensated five-hundred dollars (\$500) per month payable over twenty-six (26) equal pay periods. This payment shall be in addition to their regular monthly compensation and is in-lieu of the Department provided health insurance benefits.

Such amount shall be payable beginning the first full pay period of the month of the elected plan year (January), and shall continue during that plan year as long as the waiver of coverage is in effect and as long as the employee would otherwise be eligible for such insurance and premium rates in the absence of a waiver.

2. Employees enrolled in individual coverage (including but not limited to) Medicare, Tricare, Medi-Cal and Covered California are not eligible to receive cash in-lieu for other health coverage, even if the coverage provides minimum value.
3. In order to participate in the cash in-lieu of health insurance waiver, the employee shall provide proof of alternate health coverage and sign a declination of coverage stating that he or she does have alternative coverage and that he or she understands that he or she will no longer receive coverage for themselves and their family through a Department provided health plan. This will be required at every open enrollment period the employee elects to waive health coverage.
4. Any such amount of cash in lieu of health coverage added to wages is not compensation for retirement purposes as defined by CalPERS.

C. Retiree Health

1. Employees hired prior to March 1, 2012, who qualify for post-retirement health benefits, will be provided these benefits in retirement at the same level provided to current personnel, as may be negotiated from time to time, whether or not the Department remains in the CalPERS program.
2. Employees hired after February 29, 2012, who qualify for post-retirement health benefits upon retirement with the Department, are eligible to receive a Department contribution toward their post-retirement health benefits at the same level as current employees if they: a) have a minimum of five (5) years of CalPERS-credited service with the Department and b) have a total of at least ten (10) years of CalPERS-credited service. Once an employee has completed five (5) years of service with the Department, their eligibility for post-retirement health benefits will include all years of CalPERS-credited service, including any service with another public agency.
3. Employees hired on or after October 1, 2019, who qualify for post-retirement health benefits upon retirement from the Department, are eligible to receive a maximum Department contribution of up to employee plus spouse toward their post-retirement health benefits. The requirements listed in VIII. C. 2. must also be met to receive a Department contribution.
4. Employees meeting the criteria above will receive a Department contribution towards their post-retirement health benefits as defined in California Government Code Section 22892 as follows:

Total Credited Years of Service	Percent (%) of Department Contribution
10	50%
11	55%
12	60%
13	65%
14	70%
15	75%
16	80%
17	85%
18	90%
19	95%
20 or more	100%

D. Dental and Vision Insurance

The Department provides the following dental and vision benefits to eligible full-time and part-time (minimum 32 hours/week) regular and probationary employees:

1. Tier 1: Employees hired prior to October 1, 2019

Employees have the option to keep the existing Health Reimbursement Arrangement (HRA) as set forth below, or to elect coverage under the Department-sponsored dental and vision insurance plan.

For those employees who elect to maintain the HRA benefit, the Department will make the following contribution on the last day of each pay period, to an accumulating fund (the Fund) for dental and vision care for participating employees and their dependents:

- \$ 66.92 for an employee with no dependents;
- \$ 80.77 for an employee with one dependent;
- \$ 103.85 for an employee with two or more dependents.

(A "dependent" for this purpose is defined as a dependent qualifying for health care under CalPERS rules, with the exception that the Department's dental and vision insurance plan recognizes a dependent as up to age 23.) Each participating employee is entitled to draw upon his or her contributed share of the Fund for dental and vision charges, in accordance with the Department Policy Manual, provided written verification of such charges is submitted to the Department prior to reimbursement (See Employee Reimbursement and Purchases, Subsection L, Number 1). Safety, non-management (employees of the EDHPFF) retirees carry over their existing dental and vision account balance and are allowed to draw up to their contributed share of the Fund for dental and vision charges, provided verification of such charges is submitted to the Department prior to reimbursement.

For those employees who elect insurance coverage, the Department will pay one hundred percent (100%) of the premium for the Department-sponsored dental and vision insurance plan. This election must be made during open enrollment or following a qualifying event. Once an employee elects insurance coverage, the change is irrevocable and the employee may not go back to participating in the HRA.

Employees' participation in the HRA is limited to active employees only; any employee that retires during the term of this MOU shall only be eligible for the insurance coverage option as of the date of retirement.

Employees that enroll in insurance coverage may keep any existing HRA balance as of the last day before the insurance becomes effective and will be able to use it for future qualifying expenditures until the balance is exhausted. However, the Department will make no further contributions to the HRA on behalf of employees enrolled in the dental and vision insurance plan.

- a. Employees hired prior to October 1, 2013, who qualify for post-retirement benefits will be provided dental and vision insurance into retirement, with a maximum Department contribution level of employee plus one, with no years of service restrictions (grandfathered).
- b. Employees hired after October 1, 2013, who qualify for post-retirement benefits will be provided dental and vision insurance into retirement, with a maximum Department contribution level of employee plus one, if they have a minimum of ten (10) years of CalPERS credited service with the Department.
- c. In order to receive the dental and vision benefit the employee must be either enrolled in the Department's healthcare plan or are receiving the cash in lieu of health insurance waiver.
- d. If two (2) employees are in the same family (husband-wife, parent, dependent child, etc.) only one (1) can receive the "family rate" the other employee would receive the single rate and be reimbursed for properly submitted requests as such.

2. Tier 2: Employees hired on or after October 1, 2019

- a. The Department will pay one hundred percent (100%) of the premium for the Department-sponsored dental and vision insurance plan. New employees are not eligible to participate in the HRA.
- b. Employees who retire from the Department, are eligible to receive a Department contribution toward their post-retirement dental and vision insurance, with a maximum Department contribution of employee plus one, if they have a minimum of ten (10) years of CalPERS credited service with the Department.
- c. In order to receive the dental and vision benefit the member must be enrolled in the Department's health care plan or are receiving the cash in lieu of health insurance waiver.
- d. If two (2) employees are in the same family (husband-wife, parent, dependent child, etc.) only one (1) can receive the "family rate" the other member would receive the single rate and be reimbursed for properly submitted requests as such.

E. Life Insurance

Department shall provide a minimum of twenty thousand-dollar (\$20,000.00) term life insurance policy in the name of each employee; each employee shall have the right to designate the beneficiary of said policy.

F. Disability Insurance

Department shall maintain a sixty (60) day disability insurance policy as provided by California Association of Professional Firefighters or California Professional Firefighters for safety personnel.

G. Flexible Spending Accounts

The Department offers Dependent Care and Health Care Flexible Spending Accounts (FSA). This benefit allows employees pre-tax deductions for dependent and health care expenses. This is available to all regular and limited-term employees.

IX. HOLIDAYS

A. The Department shall provide holiday pay as set forth hereinafter. All shift personnel shall receive an annual holiday pay disbursement calculated by multiplying each affected employee's regular hourly wage by one-hundred twenty (120) hours and dividing by twenty-six (26) pay periods and this amount will be included on each pay period throughout the year. These payments shall constitute the sole and exclusive mechanism of awarding to shift personnel any additional compensation for shift duty worked during holiday periods.

B. All personnel assigned to a forty (40) hour administrative schedule shall receive the following paid holidays:

1. January 1 - New Year's Day
2. January - Martin Luther King Day (Observed)
3. February (3rd Monday) - President's Day
4. May (Last Monday) - Memorial Day
5. July 4 - Independence Day
6. September (1st Monday) - Labor Day
7. October 12 (Observed) - Columbus Day
8. November 11 (Observed) - Veterans Day
9. November (Fourth Thursday) - Thanksgiving
10. November - Friday after Thanksgiving
11. December 24 - Christmas Eve
12. December 25 - Christmas Day

C. All Personnel, assigned to a forty (40) hour administrative schedule, who are required to work on a holiday, shall be entitled to compensation at two (2) times his or her base rate of pay, calculated in accordance with the law.

Personnel assigned to an administrative forty (40) hour work schedule may not accept voluntary overtime on a recognized holiday.

Employees assigned to a forty (40) hour suppression schedule shall have holiday pay calculated utilizing the following formula: Six (6) holidays multiplied by hours worked per day based on work schedule, multiplied by base hourly pay rate of pay, divided by twenty-six (26) pay-periods.

Employees who are assigned to a light-duty schedule shall continue to receive holiday pay in place of time off for the recognized holiday.

X. VACATION

A. Benefits

Increases in vacation accrual tiers are effective on the first full pay period on or after the employee's anniversary date.

Employees shall receive the following vacation benefits according to their length of service with the Department as follows:

1. Up to five (5) years employment (month 1 through month 60): one-hundred and four (104) hours per year for non-shift and one-hundred forty-four (144) hours per year for shift employees.
2. Five (5) to ten (10) years employment (month 61 through month 120): one-hundred fifty-two (152) hours per year for non-shift and two-hundred sixteen (216) hours per year for shift employees.
3. Ten (10) to fifteen (15) years employment (month 121 through month 180): one-hundred ninety-two (192) hours per year for non-shift and two-hundred sixty-four (264) hours per year for shift employees.
4. Fifteen (15) to twenty (20) years employment (month 181 through month 240): two-hundred and eight (208) hours per year for non-shift and two-hundred eighty-eight (288) hours per year for shift employees.
5. Twenty (20) or more years of employment (month 241 onwards): two-hundred twenty-four (224) hours per year for non-shift and three-hundred twelve (312) hours per year for shift employees.

B. Limitations

1. Vacation time may not be taken until after the completion of six (6) months of continuous employment. Vacation will be accrued on a bi-weekly basis on the last day of each pay period.
2. Maximum accumulation of vacation is limited to two-hundred eighty (280) hours for non-shift employees and three-hundred eighty-four (384) hours for shift employees. Time accrued in excess of these limits will be paid out at one hundred percent (100%) of an employee's base hourly rate during the first full paycheck in December.
3. No more than seventeen percent (17%) of employees during any shift may be on vacation at a single time. Any fractional number will be rounded to the next highest number. (Example: seventeen percent (17%) of seventeen (17) scheduled employees would equal two-point eight nine percent (2.89%), so three (3) employees would be eligible to utilize vacation at a single time. Seventeen percent (17%) of eighteen (18) employees would equal three-point zero six percent

(3.06%), so four (4) employees would be eligible to utilize vacation at a single time.) In the case of emergency staffing, scheduled vacation time off may be cancelled.

C. Payment for Unused Vacation Leave

1. Upon separation from the Department, an employee's unused vacation time will be compensated at one hundred percent (100%) of the employee's final base hourly rate.
2. During employment, an employee may elect to receive cash in lieu of accrued vacation leave at one hundred percent (100%) of the employee's base hourly rate, subject to the following restrictions:
 - a. An employee wishing to receive cash in lieu of accrued vacation leave must submit an irrevocable written election by December 31 of the calendar year prior to the calendar year in which the employee wishes to redeem accrued vacation leave for cash. An employee who does not make an affirmative election by the end of the calendar year shall be deemed to have irrevocably elected not to receive cash in lieu of vacation leave during the subsequent calendar year.
 - b. An employee's written election must specify the number of accrued vacation hours, not to exceed the employee's maximum annual accrual, which the employee wishes to redeem for cash in the following calendar year.
 - c. After an employee makes an irrevocable election, the employee may request payment for accrued vacation hours on a quarterly basis. Requests to redeem accrued vacation must be submitted, in writing, at least two (2) weeks prior to the end of the quarter.
 - d. If an employee does not request payment for the full amount of vacation elected for cash out, the Department shall unilaterally cash out the remainder of the vacation leave elected for cash-out at the end of the fiscal year, to the extent the employee has leave accrued during that calendar year available.
 - e. Only vacation leave hours already accrued in the calendar year for which an election was made may be cashed out under this provision. Voluntary cash-out for vacation leave accrued in a previous year is not allowed.

XI. SICK LEAVE

- A. Sick Leave is defined as leave taken to care for self or family (kin) in the event of illness or injury, as defined in California Labor Code Section 233.
- B. Employees may use sick leave due to the death of a current spouse, registered domestic partner, child, parent, legal guardian, brother, sister, grandparent, grandchild, mother-in-law, father-in-law, or the death of any child or close relative who resides with the employee at the time of death. Shift employee may take up to seventy-two (72) hours

of accrued sick leave, and non-shift employees may take up to forty-eight (48) hours of accrued sick leave for any one (1) death.

Department "Protected Leave" includes employees accrued: Sick Leave, Vacation, Administrative Leave, Shift Trades and donated leave from the Catastrophic Leave Bank. For purposes of this section, the definition of "Protected Leave" ensures that the employee will return to their original position in terms of rank, pay, benefits, and other employment terms and conditions.

1. Sick Leave Accrual

Sick Leave shall accrue in equal prorated installments for each pay period following one (1) month of continuous service at the following rate:

- a. Non-shift personnel – One hundred thirty-six (136) hours per year (Seventeen (17) working days, multiplied by eight (8) hours);
- b. Shift personnel – One hundred ninety-two (192) hours per year;
- c. Maximum accumulation of sick leave shall be unlimited.

2. Illness/Injury During Vacation

An employee who becomes ill or injured while on vacation may have such period of illness or injury charged to the employee's accumulated sick leave rather than vacation, provided that: Immediately upon return to duty, the employee submits to the Fire Chief a written request for sick leave, accompanied by a signed statement from the employee's attending physician indicating the dates of the employee's illness.

3. Procedure to Receive Sick Leave

To qualify for paid sick leave, the employee must notify his or her supervisor as soon as possible but not later than one (1) hour after the start of the work shift. In the event sick leave is required by the employee for an unforeseen emergency, management personnel shall use reasonable discretion in the exercise of requiring notification.

4. Maintenance of Benefits While on Leave

- a. The Department will maintain all benefits of any employee who is absent from work up until that employee has exhausted all means of available leave. All means of available leave is defined as: accrued sick leave, accrued vacation, shift trades, any donated sick leave by other employees of the Department from the Catastrophic Leave Bank, and leave described in state and federal laws.
- b. Employees are allowed to use accrued sick leave only for legitimate reasons permitted by these provisions. An employee found to have claimed/used sick leave fraudulently shall be subject to discipline.

5. Payment of Unused Sick Leave

The payment of unused sick leave is authorized by the Department as a means of rewarding employees who have made conscientious efforts to maximize their attendance on the job. Permanent employees, regardless of length of service, shall be entitled to payment for accrued sick leave as indicated below, up to their date of separation. However, employees whose separation is caused by dismissal shall not be entitled to payment for unused sick leave.

Number of Sick Leave Days Accumulated		
Shift Employees	Non-Shift Employees	Percentage of Days Compensation is Given
64+	135+	60%
52-63	112-134	50%
41-51	88-111	40%
31-40	64-87	30%
21-30	41-63	20%
0-20	0-40	0%

- a. In the event of a death, the beneficiary of the employee shall be paid for those sick leave hours for which the employee would have been paid had employment terminated on the date of death.
- b. Upon an employee's retirement, any unused sick leave hours/days for which compensation has not been awarded may be credited to the CalPERS Sick Leave Credit, if allowed, covered by the Contract between the Department and CalPERS. An employee may, at his or her discretion, convert all unused sick leave to CalPERS "Sick Leave Credit" and forgo compensation outlined in the table above.

7. Donation of Sick Leave Hours

Department shall allow employees to donate sick leave hours to the Catastrophic Leave Bank as outlined in the Catastrophic Leave Bank policy.

XII. BEREAVEMENT LEAVE

1. Shift Personnel

Up to forty-eight (48) hours per person per occurrence shall be granted due to the death of his or her current spouse, registered domestic partner, child, parent, legal guardian, brother, sister, grandparent, grandchild, mother-in-law, father-in-law, or the death of any child or close relative who resides with the employee at the time of death. After bereavement leave has been exhausted, additional accrued leave may be granted at the discretion of the Fire Chief or designee.

2. Non-Shift Personnel

Up to five (5) days per person per occurrence shall be granted due to the death of his or her current spouse, registered domestic partner, child, parent, legal guardian, brother, sister, grandparent, grandchild, mother-in-law, father-in-law, or the death of any child or close relative who resides with the employee at the time of death. After bereavement leave has been exhausted, additional accrued leave may be granted at the discretion of the Fire Chief or designee.

XIII. UNION LEAVE

- A. Both Union President and Vice President or a representative in their absence, will be given leave from duty to perform Department/Union related business. Such leave will only be granted if it does not disrupt the Departments operations. Total leave shall not exceed five hundred (500) hours per year.

XIV. STATION STAFFING

- A. EDHFD Emergency Equipment (Truck, Engine, Patrol, Medic) shall be staffed with a minimum of:

Battalion:

One (1) Battalion Chief

Engine:

One (1) Captain
One (1) Engineer
One (1) Firefighter /Paramedic

Truck:

One (1) Captain
One (1) Engineer
Two (2) Firefighter /Paramedics

Patrol:

One (1) Captain
One (1) Engineer
*One must be a qualified Paramedic

Medic:

Two (2) Firefighter/Paramedics or qualified personnel

Full Engine, Truck, Patrol, Medic staffing levels shall be eighteen (18) with the exception noted above.

The minimum staffing levels above shall be filled by regular full-time employees.

- B. This does not preclude the cross-staffing of apparatus that are not separately staffed (i.e., cross-staffing a different type Engine, Patrol, Medic, Air Unit, Water Tender, or other specialized Apparatus and/or equipment for a particular incident or based on Operational needs).
- C. This does not include or apply to apparatus staffed wholly or partly by volunteer suppression personnel as required for Department emergency coverage or designated special events (i.e., drawdown of normally staffed units due to a large incident, community events such as parades or celebrations).
- D. These provisions will not apply to periodic, temporary reductions in apparatus staffing due to transient operational needs of the Department (i.e., a Department engine or truck will remain in service with less than the defined minimum level of staffing while an employee of the crew has transported a patient to the hospital).
- E. A qualified actor, or person of higher rank willing and qualified to “work-down” to prevent mandatory staffing, may be used in lieu of the required rank to satisfy this requirement.
- F. Extra personnel assigned to the shift may be utilized as “floaters” and assigned to augment any emergency apparatus vacated by absent personnel.
- G. Employees assigned to an administrative forty (40) hour schedule may not be mandated for Emergency Staffing unless not doing so would cause the staffing level to fall below fourteen (14).
- H. Station 91 Staffing:
 - 1. Station 91 shall be staffed with a minimum of:
 - a. One (1) Captain
 - b. One (1) Engineer
 - * One must be a qualified Paramedic
 - 2. Station 91 will staff a Type 1, Type 3, Type 6 or Water Tender with the above minimum staffing at the direction of the Fire Chief.

XV. REDUCTION OF FORCE

- A. In the event the Board of Directors, in its exclusive judgment, ultimately decides that a reduction in force shall be implemented, the Board shall specify the number of positions to be authorized. Any lay-off of personnel initiated will be made on the inverse order of seniority hire date as defined in the MOU.
 - 1. Procedure
 - a. The Fire Chief shall designate those employees to be laid off with the Board’s specific number of authorized positions.

- b. Employees shall be laid off in inverse order of Department seniority by hire date. Employees shall be demoted in inverse order of seniority by promotional date.
- c. An employee who bumps back to a lower paying job classification will be placed on the applicable seniority list for that classification according to the employee's prior Department service (promotion or hire date) in that rank.
- d. Employees cannot bump back into a lower paying job classification that they were never employed in or did not complete a successful probation (unless they were promoted during probation).
- e. When vacancies occur within three (3) years after the date an employee is laid off the employee shall be given the opportunity to be rehired to the former position in accordance with seniority and prior to any new employee in that classification. Rehired employees are required to pass a physical examination and Department physical agility test. If the notified (rehired) employee fails to respond within thirty (30) days of written notice, he or she will have lost the right to rehire. Persons rehired through these means shall retain all seniority accrued while working and layoff shall not be considered a break in employment.

XVI. DEPARTMENT ADOPTION OF RULES AND REGULATIONS

The Board of Directors for the Department has adopted Rules and Regulations, consistent with the operating procedures of the Department. To the extent that any conflicts arise between the Department's Rules and Regulations and this MOU, the terms and conditions of the MOU shall control.

XVII. FULL UNDERSTANDING, MODIFICATION, WAIVER

- A. This MOU sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any other prior or existing understanding or agreements by the parties, whether formal or informal, relating to any such matters are hereby superseded or terminated in their entirety.
- B. It is agreed and understood that each party hereto voluntarily and unqualifiedly waives its right to negotiate and agrees that the other party shall not be required to negotiate, with respect to any matter covered herein, during the term of this MOU.
- C. No agreement, alteration, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall in any manner be binding upon the parties hereto unless made and executed in writing by all parties hereto, and if required, approved and implemented by the Department's Board of Directors and the EDHPFF membership.
- D. The waiver of any breach, term, or condition of the MOU by either party shall not constitute a precedent in the future enforcement of the terms and provisions of this MOU.

XVIII. TERM

- A. This MOU represents the entire agreement between the Department and the EDHPPF, cancels all previous agreements on items covered herein, and shall become of full force and effect on adoption by the Board of Directors and ratification by the EDHPPF members and shall continue in full force and effect until midnight June 30, 2023. Furthermore, this MOU shall be automatically renewed on the same terms and conditions for an additional year unless either party shall give written notice to the other on or before June 1, 2023, of its intent to not have this MOU renewed; and provided that either party shall be able to terminate such renewed MOU by giving written notice to the other party, any time after June 1, 2023, of its intent to terminate this MOU and any rights and obligations thereunder, which notice shall be effective thirty (30) days thereafter.

- B. In the event that the Department is included within an incorporated city during the term of this MOU, the provisions of this MOU shall remain binding upon the successor city and the term of this agreement shall be extended until a new agreement between the EDHPPF and the city has been agreed upon.

In witness whereof, the parties hereto have caused this MOU to be executed by affixing their signatures below.

DISTRICT:

EL DORADO HILLS COUNTY WATER DISTRICT

Dated: _____, 2019.

By: _____
Its: President

By: _____
Its: Fire Chief

Dated: _____, 2019.

ATTEST:

By: _____
Its: Board Secretary

EDHPFF:

EL DORADO HILLS PROFESSIONAL FIREFIGHTERS

Dated: _____, 2019.

By: _____
Its: President

Effective: October 1, 2019

Adopted: _____

EL DORADO HILLS COUNTY WATER DISTRICT

RESOLUTION NO. 2019-14

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE EL DORADO HILLS
COUNTY WATER DISTRICT APPROVING SALARY AND BENEFITS FOR
UNREPRESENTED SAFETY MANAGEMENT, NON-SAFETY MANAGEMENT, AND
NON-SAFETY ADMINISTRATIVE SUPPORT EMPLOYEES**

WHEREAS, the Board of Directors of the El Dorado Hills County Water District (Board) recognize the importance of codified provisions relating to wages, hours, and other terms and conditions of employment to employees who are not members of recognized bargaining groups; and,

WHEREAS, Unrepresented Employees are those employees in unrepresented job classifications who are regular, full-time employees; and,

WHEREAS, the Board wishes to amend the salary and benefits available to Unrepresented Safety Management, Non-Safety Management, and Non-Safety Administrative Support employees for the period of October 1, 2019 through June 30, 2023; and,

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the El Dorado Hills County Water District, that the salary and benefits adjustments for Unrepresented Safety Management, Non-Safety Management, and Non-Safety Administrative Support employees are hereby approved.

The foregoing resolution was passed and adopted by the Board of Directors of the El Dorado Hills County Water District at a meeting of said Board held on the 6th day of November 2019 by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

Jessica Braddock, Board Secretary

John Girauda, President

EL DORADO HILLS COUNTY WATER
DISTRICT (FIRE DEPARTMENT)

**Unrepresented
Management/Safety**

Salary and Benefits
Resolution

October 1, 2019 - June 30, 2023

Note: This is not a complete list of salary and benefits. For a complete and thorough explanation of salary, benefits and more, please view the Employee Handbook located on the Intranet>Governing Documents

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SALARY AND BENEFITS RESOLUTION

I. GENERAL

- A. This Salary and Benefits Resolution (Resolution) is for Unrepresented Safety Management personnel that are regular full-time employees of the El Dorado Hills County Water District, also known as the El Dorado Hills Fire Department (Department). This Resolution includes employees in the positions of Deputy Chief and Fire Marshal/Division Chief.
- B. The salary and benefit adjustments for the period commencing October 1, 2019 and ending June 30, 2023.

II. SENIORITY

- A. Department seniority shall be based on total unbroken service in the Department as a full-time regular employee receiving benefits. The actual date of hire shall be used for this determination.
- B. In the event two (2) or more persons are hired on the same calendar date, seniority in the Department shall be determined in accordance with their respective standing on the entry level-hiring list. The employee attaining the highest numerical standing shall be the senior.

III. TERMS AND CONDITIONS OF EMPLOYMENT

A. Salaries

Employees shall receive the following Cost of Living Adjustments:

- 1. Effective the first full pay period after October 1, 2019, employees shall receive a two percent (2%) increase to base salary. Reference the below salary schedule:

STEPS		1	2	3	4	5
DEPUTY CHIEF	H	\$78.62	\$82.26	\$86.07	\$90.08	\$94.29
	M	\$13,627	\$14,258	\$14,919	\$15,614	\$16,343
FIRE MARSHAL/DIVISION CHIEF	H	\$54.59	\$57.03	\$59.58	\$62.27	\$65.09
	M	\$9,463	\$9,885	\$10,326	\$10,794	\$11,281

***Salary data is based on an 80-hour biweekly pay period**

2. Effective the first full pay period after July 1, 2020, employees shall receive a three percent (3%) increase to base salary. The salary schedule will be available at the time of this scheduled salary increase.
3. Effective the first full pay period after July 1, 2021, employees shall receive a two and one-half percent (2.5%) increase to base salary. The salary schedule will be available at the time of this scheduled salary increase.
4. Effective the first full pay period after October 1, 2021, a one percent (1%) increase to base salary may be awarded to employees if growth in the El Dorado Hills Property Tax Revenue for Fiscal Year (FY) 2021-22 exceeds five percent (5%). For the salary adjustment, the percent change in property tax revenue will be calculated using the actual property tax revenue for (FY) 2020-21 and the property tax revenue estimate provided by El Dorado County for (FY) 2021-22.
5. Effective the first full pay period after July 1, 2022, employees shall receive a two and one-half percent (2.5%) increase to base salary. The salary schedule will be available at the time of this scheduled salary increase.
6. An employee shall remain in a step for a period of one (1) year before being eligible for a step increase.
7. An employee's step increase will be the first day of the first full pay period on or after the anniversary date of the position.
8. A step increase is not an automatic payroll adjustment. Eligibility for a step increase will be based upon employee's performance and length of service.
9. Employees are Fair Labor Standards Act (FLSA) Exempt.
10. The following is the formula for converting fifty-six (56) hour position leave to forty (40) hour position leave:
Hours on books divided by 1.4 = Converted Time;
The same formula will be used to calculate accrual rates.
11. The following is the formula for converting forty (40) hour position leave to fifty-six (56) hour position leave:
Hours on books multiplied by 1.4 = Converted Time;
The same formula will be used to calculate accrual rates.

B. Duty Hours and Schedule:

1. The work schedule for employees assigned to line fire suppression shifts shall consist of two (2) consecutive twenty-four (24) hour shifts on duty, followed by four (4) consecutive days off, as follows:

X X O O O O X X O O O O

Where: X = 24 consecutive hours ON DUTY;
O = 24 consecutive hours OFF DUTY.

2. Members assigned to an Administrative forty (40) hour schedule are eligible to work a modified schedule, such as a “Flex 9/80” or “4/10” or other modified schedule at the discretion of the Fire Chief.

C. Uniforms and Class-A Uniform Reimbursement:

The Department shall furnish, at no cost to the employees, all uniforms required in the performance of their job duties. The Department shall continue to report to the California Public Employees Retirement System (CalPERS), the estimated value of up to eight hundred dollars (\$800.00) annually for the purposes of issuing and replacing uniforms for Classic Sworn CalPERS members.

The agency shall reimburse each member for the cost of one (1) “Class-A” uniform up to a maximum of five hundred dollars (\$500.00). Reimbursement will be allowed only after the member has completed their probationary period and the reimbursement request is accompanied by a detailed receipt.

Uniforms which are damaged in the line of duty or that are in need of replacement must be reported to their supervisor immediately. The final determination as to the replacement of any uniforms is left to the discretion of the Fire Chief.

D. Acting Position

Unrepresented Deputy Chiefs may voluntarily “downgrade” to cover for a Battalion Chief vacancy in staffing. The Battalion Chief overtime rate of pay will be used to calculate the overtime compensation for hours worked.

E. Pay Days

Paydays shall be bi-weekly on Friday, unless a payday falls on a holiday, in which case the regular workday immediately prior to the holiday will be the appropriate payday.

F. Education and Certification Incentive Pay

In addition to the base salaries set forth in Section A hereof, employees with the following education degrees and/or certificates shall receive additional compensation as specified below.

To be compensated for an Associate’s, Bachelor’s, or Master’s Degree, the employee must submit an official copy of their transcripts to the Department. The official transcripts should be mailed directly from the college or university where the degree was attained to the Department addressed c/o Director of Human Resources - Confidential. The official transcripts must be from a regionally or nationally accredited school, recognized by the United States Department of Education or the

Council for Higher Education Accreditation (CHEA). (Exceptions to this rule must be approved by the Fire Chief, or by appeal to the Board of Directors.)

To be compensated for a certification incentive, the employee must submit a copy of their certificate to the Department. A copy of the certificate will be retained in the Department files. Incentives are paid in equal increments over twenty-six (26) pay periods during the calendar year.

1. Education Incentive

All education incentives are non-stackable with the exception of the Emergency Medical Technician (EMT) incentive. Employees shall receive the following monthly education incentive pay, which is subject to the same limitations and requirements outlined above:

- AA/AS: \$250
- BA/BS: \$500
- MA/MS: \$750
- EMT: \$100

2. Certification Incentives

All certification incentives are non-stackable, however one (1) may be paid in addition to an education incentive. Employees shall receive the following monthly certification incentive pay, which is subject to the same limitations and requirements outlined above:

- Company Officer: \$250
- Chief Fire Officer: \$500

G. Paramedic Compensation and Reimbursement

Chief Officers, who have their California State Paramedic License, and are in good standing with the State of California EMSA, are eligible for Paramedic incentive pay in the amount of two hundred dollars (\$200) per month. The EMT and Paramedic incentives are non-stackable.

The Department shall reimburse paramedic personnel for fees, with the exception of late fees incurred in the maintenance of the following certifications: (Reimbursement shall include class tuition and associated class materials; if required to attend the class offsite, applicable overtime or wages will be paid for class time only. Mileage reimbursement will not be paid for driving to and from the class.)

1. ACLS – Advanced Life Support (Bi-annual certification).
2. PALS/PEPP – Pediatric Advanced Life Support (Bi-annual certification).

3. Class fees shall be reimbursed upon documentation of successful completion and shall not exceed two hundred dollars (\$200) per class.
4. The Department shall reimburse the fee for the State Paramedic License.

H. Longevity Pay

The Department shall provide longevity pay as set forth hereinafter. All personnel shall receive an annual longevity pay disbursement per the following schedule and paid in equal increments over twenty-six (26) pay periods. Longevity pay eligibility will include all years of CalPERS-credited service, including any service with another public agency. Longevity pay increases shall be effective on the first full pay-period following the employee’s anniversary date.

Upon Completion of Years of Service	Annual Pay
10	\$2,500
15	\$2,750
20	\$3,000
25	\$3,500
30	\$4,000

IV. RETIREMENT

A. Classic Safety (Tier 1) Members

Employees hired before November 27, 2012, shall be covered CalPERS Three Percent (3%) at Fifty (50) formula for Safety Members, with the 1959 Survivor Benefits at the Fourth Level (Section 21573), with One Year Final Compensation (Section 20042) and other stipulations per contract with CalPERS currently in effect. The Department shall treat Employer-Paid Member Contributions (EPMC) as CalPERS reportable compensation.

Classic Safety (Tier 1) employees shall contribute a total of nine percent (9%) of their CalPERS reportable compensation (exclusive of EPMC) to the employer’s percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer’s contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

Effective the first full pay period following July 1, 2020, through contract amendment with CalPERS for cost sharing, Classic Safety (Tier 1) employees shall contribute an additional one and one-half percent (1.5%), for a total of ten and one half percent (10.5%) of their CalPERS reportable compensation (excluding EPMC) to the employer’s percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer’s contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

Effective the first full pay period following July 1, 2021, through contract amendment with CalPERS for cost sharing, Classic Safety (Tier 1) employees shall contribute an additional one and one-half percent (1.5%), for a total of twelve percent (12%) of their CalPERS reportable compensation (excluding EPMC) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

B. Classic Safety (Tier 2) Members

Employees hired after November 26, 2012, who are not a "new member" as defined by the Public Employees' Pension Reform Act (PEPRA), shall be covered by the CalPERS Three Percent (3%) at Fifty-Five (55) formula for Safety Members, with the 1959 Survivor Benefits at the Fourth Level (Section 21573), with Three Years Final Compensation (Section 20042) and other stipulations per contract with CalPERS currently in effect. The Department shall treat EPMC as CalPERS reportable compensation.

Classic Safety (Tier 2) employees shall contribute an additional one-and-one-half percent (1.5%), for a total of nine percent (9%) of their CalPERS reportable compensation (exclusive of EPMC) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

Effective the first full pay period following July 1, 2020, through contract amendment with CalPERS for cost sharing, Classic Safety (Tier 2) employees shall contribute an additional one and one-half percent (1.5%), for a total of ten and one half percent (10.5%) of their CalPERS reportable compensation (excluding EPMC) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

Effective the first full pay period following July 1, 2021, through contract amendment with CalPERS for cost sharing, Classic Safety (Tier 2) employees shall contribute an additional one and one-half percent (1.5%), for a total of twelve percent (12%) of their CalPERS reportable compensation (excluding EPMC) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

C. New Members (Tier 3)

Employees who are "new members" as defined by PEPRA shall be covered by the CalPERS Two and Seven Tenths Percent (2.7%) at 57 formula for Safety Members (2.7%) at 57 Safety Plan, with the 1959 Survivor Benefits at the Fourth Level (Section

21573), with Three Years Compensation (Section 20042) and other stipulations per contract with CalPERS currently in effect.

Employees shall contribute one-half (1/2) of the normal cost rate as defined by CalPERS. This contribution may fluctuate with fluctuations in the normal cost rate.

V. **HEALTH AND WELFARE BENEFITS**

A. **Health Insurance**

1. Department shall continue its participation in the CalPERS Health Program. Employees shall be eligible for group health insurance the first day of the month following the date of hire.
2. Effective January 1, 2020, the Department shall contribute a maximum monthly amount of up to two thousand nine hundred thirty-two dollars and twenty cents (\$2,932.20).
3. Effective January 1, 2021, the Department shall contribute a maximum monthly amount of up to two thousand eight hundred fifty dollars (\$2850.00).

B. **Cash In-Lieu of Group Health Insurance**

1. Employees that elect to waive coverage under the Department's health insurance program, beginning the first open enrollment period after October 1, 2019, shall be compensated five-hundred dollars (\$500) per month payable over twenty-six (26) pay periods. This payment shall be in addition to their regular monthly compensation and is in-lieu of the Department provided health insurance benefits.

Such benefits shall be payable beginning the first full pay period of the month of the elected plan year (January), and shall continue during that plan year as long as the waiver is in effect and as long as the employee would otherwise be eligible for such insurance and premium rates in the absence of a waiver.

2. Employees enrolled in individual coverage (including but not limited to) Medicare, Tricare, Medi-Cal and Covered California are not eligible to receive cash in-lieu for other health coverage, even if the coverage provides minimum value.
3. In order to participate in the cash in-lieu of health insurance, the employee shall provide proof of alternate coverage and sign a declination of coverage stating that he or she has alternative coverage and that he or she understands that he or she will no longer receive coverage for themselves and their family through a Department provided health plan. This will be required at every open enrollment period the employee elects to waive health coverage.

4. Any such amount of health reimbursement added to wages is not compensation for retirement purposes, as defined by the CalPERS.

C. Retiree Health

1. Employees hired prior to March 1, 2012, who qualify for post-retirement health benefits will be provided these benefits in retirement at the same level provided to current personnel, as may be negotiated from time to time, whether or not the Department remains in the CalPERS program.
2. Employees hired after February 29, 2012, who qualify for post-retirement health benefits upon retirement from the Department, are eligible to receive a Department contribution toward their post-retirement health benefits at the same level as current employees if they: a) have a minimum of five (5) years of CalPERS-credited service with the Department and b) have a total of at least ten (10) years of CalPERS-credited service. Once an employee has completed five (5) years of service with the Department, their eligibility for post-retirement health benefits will include all years of CalPERS-credited service, including any service with another public agency.
3. Employees hired on or after October 1, 2019, who qualify for post-retirement health benefits upon retirement from the Department, are eligible to receive a maximum Department contribution of up to employee plus spouse toward their post-retirement health benefits. The requirements listed in V. C. 2. must also be met to receive a Department contribution.
4. Employees meeting the criteria above will receive a Department contribution towards their post-retirement health benefits as defined in California Government Code Section 22892 as follows:

Total Credited Years of Service	Percent (%) of Department Contribution
10	50%
11	55%
12	60%
13	65%
14	70%
15	75%
16	80%
17	85%

18	90%
19	95%
20 or more	100%

D. Dental and Vision Insurance

The Department provides the following dental and vision benefits to eligible full-time and part-time (minimum 32 hours/week) regular and probationary employees:

1. Tier 1: Employees hired prior to October 1, 2019

Employees have the option to keep the existing Health Reimbursement Arrangement (HRA) as set forth below, or to elect coverage under the Department-sponsored dental and vision insurance plan.

For those employees who elect to maintain the HRA benefit, the Department will make the following contribution on the last day of each pay period, to an accumulating fund (the Fund) for dental and vision care for participating employees and their dependents:

- \$ 66.92 for an employee with no dependents;
- \$ 80.77 for an employee with one (1) dependent;
- \$ 103.85 for an employee with two (2) or more dependents.

(A "dependent" for this purpose is defined as a dependent qualifying for health care under CalPERS rules, with the exception that the Department's dental and vision insurance plan recognizes a dependent as up to age 23.) Each participating employee is entitled to draw upon his or her contributed share of the Fund for dental and vision charges, in accordance with the Department Policy Manual, provided written verification of such charges is submitted to the Department prior to reimbursement (See Employee Reimbursement and Purchases, Subsection L, Number 1). Retirees may carry over their existing dental and vision account balance and are allowed to draw up to their contributed share of the Fund for dental and vision charges, provided verification of such charges is submitted to the Department prior to reimbursement.

For those employees who elect insurance coverage, the Department will pay one hundred percent (100%) of the premium for the Department-sponsored dental and vision insurance plan. This election must be made during open enrollment or following a qualifying event. Once an employee elects insurance coverage, the change is irrevocable and the employee may not go back to participating in the HRA.

Employees' participation in the HRA is limited to active employees only and any employee who retires during the term of this Resolution shall only be eligible for the insurance coverage option as of the date of retirement.

Employees who enroll in insurance coverage may keep any existing HRA balance as of the last day before the insurance becomes effective and will be able to use it for future qualifying expenditures until the HRA balance is exhausted. However, the Department will make no further contributions to the HRA on behalf of employees enrolled in the dental and vision insurance plan.

- a. Employees hired prior to October 1, 2013, who qualify for post-retirement benefits will be provided dental and vision insurance into retirement, with a maximum Department contribution level of employee plus one, with no years of service restrictions (grandfathered).
- b. Employees hired after October 1, 2013, who qualify for post-retirement benefits will be provided dental and vision insurance into retirement, with a maximum Department contribution level of employee plus one, if they have a minimum of ten (10) years of CalPERS credited service with the Department.
- c. In order to receive the dental and vision benefit the member must be enrolled in the Department's healthcare plan or are receiving the cash in lieu of health insurance waiver.
- d. If two (2) employees are in the same family (husband-wife, parent, dependent child, etc.) only one (1) can receive the "family rate" the other member would receive the single rate and be reimbursed for properly submitted requests as such.

2. Tier 2: Employees hired on or after October 1, 2019

- a. The Department will pay one hundred percent (100%) of the premium for the Department-sponsored dental and vision insurance plan. New employees are not eligible to participate in the HRA.
- b. Employees who retire from the Department, are eligible to receive a Department contribution toward their post-retirement dental and vision insurance, with a maximum Department contribution of employee plus one, if they have a minimum of ten (10) years of CalPERS credited service with the Department.
- c. In order to receive the dental and vision benefit the member must be enrolled in the Department's healthcare plan or are receiving the cash in lieu of health insurance waiver.
- d. If two (2) employees are in the same family (husband-wife, parent, dependent child, etc.) only one (1) can receive the "family rate" the other member would receive the single rate and be reimbursed for properly submitted requests as such.

E. Life Insurance

Department shall provide a minimum of twenty thousand dollars (\$20,000.00) term life insurance policy in the name of each employee and each employee shall have the right to designate the beneficiary of said policy.

F. Disability Insurance

Department shall maintain a sixty (60) day disability insurance policy as provided by California Association of Professional Firefighters for safety personnel.

G. Flexible Spending Accounts

The Department offers Dependent Care and Health Care Flexible Spending Accounts (FSA). This benefit allows employees pre-tax deductions for dependent and health care expenses. This is available to all regular and limited-term employees.

VI. HOLIDAYS

A. The Department shall provide holiday pay as set forth hereinafter. All shift personnel shall receive an annual holiday pay disbursement calculated by multiplying each affected employee's regular hourly wage by one-hundred twenty (120) hours and dividing by twenty-six (26) pay periods and this amount will be included on each pay period throughout the year. These payments shall constitute the sole and exclusive mechanism of awarding to shift personnel any additional compensation for shift duty worked during holiday periods.

B. All personnel assigned to a forty (40) hour Administrative schedule shall receive the following paid holidays:

1. January 1 - New Year's Day
2. January - Martin Luther King Day (Observed)
3. February (3rd Monday) - President's Day
4. May (Last Monday) - Memorial Day
5. July 4 - Independence Day
6. September (1st Monday) - Labor Day
7. October 12 (Observed) - Columbus Day
8. November 11 (Observed) - Veterans Day
9. November (Fourth Thursday) - Thanksgiving
10. November - Friday after Thanksgiving
11. December 24 - Christmas Eve
12. December 25 - Christmas Day

In addition to the regularly recognized holidays, the Administrative Office will be closed from Christmas Eve through New Year's Day. Employees that elect to take time off during this scheduled office closure must use their accrued vacation or administrative leave for any day not recognized as a Department Holiday. Employees may elect to work during the days not recognized as a Department Holiday, in lieu of using accrued vacation or administrative leave.

VII. VACATION

A. Vacation Accrual

Two hundred twenty-four (224) hours per year for non-shift and three hundred twelve (312) hours per year for shift employees.

B. Limitations

1. Vacation time may not be taken until after the completion of six (6) months of continuous employment. Vacation will be accrued on a monthly basis with a maximum accumulation of two hundred eighty (280) hours for non-shift employees and three-hundred eighty-four (384) hours for shift employees. Time accrued in excess of these limits will be paid out at one hundred percent (100%) of an employee's base hourly rate during the first full paycheck in December.
2. Upon separation from the Department, an employee's unused vacation time will be compensated at one hundred percent (100%) of the employee's final base hourly rate. During employment, an employee may elect to receive cash in lieu of accrued vacation leave at one hundred percent (100%) of the employees' base hourly rate.

VIII. SICK LEAVE

A. Sick Leave is defined as leave taken to care for self or family (kin) in the event of illness or injury, as defined in California Labor Code Section 233.

B. Sick Leave Accrual

Sick Leave shall be accrued on a prorated monthly basis at the following rate:

- a. Non-shift personnel – One hundred thirty-six (136) hours per year;
- b. Shift personnel – One hundred ninety-two (192) hours per year;
- c. Maximum accumulation of sick leave shall be unlimited.

D. Payment of Unused Sick Leave

- a. The payment of unused sick leave is authorized by the Department as a means of rewarding employees who have made conscientious efforts to maximize their attendance on the job. Permanent employees, regardless of length of service, shall be entitled to payment for accrued sick leave as indicated below, up to their date of separation. However, employees whose separation is caused by dismissal shall not be entitled to payment for unused sick leave.

Number of Sick Leave Days Accumulated		Percentage of Days for Which Compensation is Given
Shift Employees	Non-Shift Employees	
64+	135+	60%
52-63	112-134	50%
41-51	88-111	40%
31-40	64-87	30%
21-30	41-63	20%
0-20	0-40	0%

- b. In the event of a death, the beneficiary of the employee shall be paid for those sick leave hours for which the employee would have been paid had employment terminated on the date of death.
- c. Upon an employee's retirement, any unused sick leave hours/days for which compensation has not been awarded may be credited to the CalPERS Sick Leave Credit, if allowed, covered by the Contract between the Department and CalPERS. An employee may at his or her discretion convert all unused sick leave to CalPERS "Sick Leave Credit" and forgo compensation outlined in the table above.

IX. ADMINISTRATIVE LEAVE

Ten (10) workdays of Administrative Leave shall be granted at the beginning of each calendar year. Administrative Leave days may not be carried over from one calendar year to the next.

X. BEREAVEMENT LEAVE

Up to five (5) days per person per occurrence shall be granted due to the death of his or her current spouse, registered domestic partner, child, parent, legal guardian, brother, sister, grandparent, grandchild, mother-in-law, father-in-law, or the death of any child or close relative who resides with the employee at the time of death. After bereavement leave has been exhausted, additional accrued leave may be granted at the discretion of the Fire Chief.

XI. BUMP BACK RIGHTS

- A. In the event the Board of Directors or Fire Chief, in its exclusive judgment, ultimately decides that a reduction in force or reassignment of positions shall be implemented, the following shall apply:
 - 1. Procedures
 - a. The Fire Chief shall designate those employees to be reassigned;

- b. Any employee shall be permitted to “bump back” to a lower classification for which he or she is qualified, as assigned by the Fire Chief;
- c. A “bump back” employee shall receive a maximum ten percent (10%) reduction in salary and shall have that salary “Y-Rated”;
- d. During such time as a “bump back” employee’s salary remains above the top step for an assigned classification, that employee shall not receive further salary increases.

EL DORADO HILLS COUNTY WATER
DISTRICT (FIRE DEPARTMENT)

Unrepresented
Management/Non-Safety

Salary and Benefits
Resolution

October 1, 2019 – June 30, 2023

Note: This is not a complete list of salary and benefits. For a complete and thorough explanation of salary, benefits and more, please view the Employee Handbook located on the Intranet>Governing Documents

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SALARY AND BENEFITS RESOLUTION

I. GENERAL

- A. This is a Salary and Benefits Resolution (Resolution) is for Unrepresented Non-Safety Management personnel that are regular full-time employees of the El Dorado Hills County Water District, also referred to as El Dorado Hills Fire Department (Department). This Resolution includes employees in the positions of Director of Finance and Director of Human Resources.
- B. The salary and employee benefit adjustments are for the period commencing October 1, 2019 and ending June 30, 2023.

II. SALARIES

Employees shall receive the following Cost of Living Adjustments:

- A. Effective the first full pay period after October 1, 2019, employees shall receive a two percent (2%) increase to base salary. Reference the below salary schedule:

Department STEPS		1	2	3	4	5
DIRECTOR OF FINANCE	Hourly	\$68.13	\$71.25	\$74.51	\$77.95	\$80.83
	Monthly	\$11,810	\$12,349	\$12,916	\$13,511	\$14,010
DIRECTOR OF HUMAN RESOURCES	Hourly	\$68.13	\$71.25	\$74.51	\$77.95	\$80.83
	Monthly	\$11,810	\$12,349	\$12,916	\$13,511	\$14,010

***Salary data is based on an 80-hour biweekly pay period**

- B. Effective the first full pay period after July 1, 2020, employees shall receive a three percent (3%) increase to base salary. The salary schedule will be available at the time of this scheduled salary increase.
- C. Effective the first full pay period after July 1, 2021, employees shall receive a two and one-half percent (2.5%) increase to base salary. The salary schedule will be available at the time of this scheduled salary increase.
- D. Effective the first full pay period after October 1, 2021, a one percent (1%) increase to base salary may be awarded if growth in the El Dorado Hills Property Tax Revenue for Fiscal Year (FY) 2021-22 exceeds five percent (5%). For the salary adjustment, the percent change in property tax revenue will be calculated using the actual property tax revenue for (FY) 2020-21 and the property tax revenue estimate provided by El Dorado County for (FY) 2021-22.
- E. Effective the first full pay period after July 1, 2022, employees shall receive a two and one-half percent (2.5%) increase to base salary. The salary schedule will be available at the time of this scheduled salary increase.

- F. An employee shall remain in a step for a period of one (1) year before being eligible for a step increase.
- G. An employee's step increase will be the first day of the first full pay period on or after the anniversary date of the position.
- H. A step increase is not an automatic payroll adjustment. Eligibility for a step increase will be based upon employee's performance and length of service.

III. PAY DAYS

Paydays shall be bi-weekly on Friday, unless a payday falls on a holiday, in which case the regular workday immediately prior to the holiday will be the appropriate payday.

IV. EDUCATION INCENTIVES

In addition to the base salaries, employees with the following education degrees or certificates shall receive additional compensation as specified below, provided a current certificate is presented to the Department. To be compensated for an Associate's, Bachelor's, or Master's Degree, an employee must submit an official copy of their transcripts to the Department. The official transcripts should be mailed directly from the college or university where the degree was attained to the Department addressed c/o Director of Human Resources-Confidential. The official transcripts must be from a regionally or nationally accredited school, recognized by the United States Department of Education or the Council for Higher Education Accreditation (CHEA). (Exceptions to this rule must be approved by the Fire Chief, or by appeal to the Board.)

All education incentives are non-stackable with the exception of the Emergency Medical Technician (EMT) incentive. Incentives are paid in equal increments over twenty-six (26) pay periods.

AA/AS	BA/BS	MA/MS	EMT
\$250	\$500	\$750	\$100
Monthly	Monthly	Monthly	Monthly

V. LONGEVITY PAY

The Department shall provide longevity pay as set forth hereinafter. All personnel shall receive an annual longevity pay disbursement per the following schedule and paid in equal increments over twenty-six (26) pay periods during the calendar year.

Upon Completion of Years of Service	Annual Pay
10	\$2,500
15	\$2,750
20	\$3,000
25	\$3,500
30	\$4,000

*Note: Years of Service must be as a paid employee of the Department and continuous, without interruption. Longevity pay increases shall be effective on the first pay-period following the employee's anniversary date.

VI. HEALTH AND WELFARE BENEFITS

A. Health Insurance

1. Department shall continue its participation in the California Public Employees Retirement System (CalPERS) Health Program. Employees shall be eligible for group health insurance the first day of the month following the date of hire.
2. Effective January 1, 2020, the Department shall contribute a maximum monthly amount of up to two thousand nine hundred thirty-two dollars and twenty cents (\$2,932.20).
3. Effective January 1, 2021, the Department shall contribute a maximum monthly amount of up to two thousand eight hundred fifty dollars (\$2,850.00).

B. Cash In-Lieu of Group Health Insurance

1. Employees that elect to waive coverage under the Department's health insurance program beginning the first open enrollment period after October 1, 2019, shall be compensated five-hundred dollars (\$500) per month payable over twenty-six (26) pay periods. This payment shall be in addition to their regular monthly compensation and is in-lieu of the Department provided health insurance benefits.
2. Such benefits shall be payable beginning the first full pay period of the month of the elected plan year (January), and shall continue during that plan year as long as the waiver is in effect and as long as the employee would otherwise be eligible for such insurance and premium rates in the absence of a waiver.
3. Employees enrolled in individual coverage (including but not limited to) Medicare, Tricare, Medi-Cal and Covered California are not eligible to receive cash in-lieu for other health coverage, even if the coverage provides minimum value.

4. In order to participate in the cash in-lieu of health insurance, the employee shall provide proof of alternate coverage and sign a declination of coverage stating that he or she does have alternative coverage and that he or she understands that he or she will no longer receive coverage for themselves and their family through a Department provided health plan. This will be required at every open enrollment period the employee elects to waive health coverage.
5. Any such amount of health reimbursement added to wages is not compensation for retirement purposes as defined by the CalPERS.

C. Retiree Health

1. Employees hired prior to March 1, 2012, who qualify for post-retirement health benefits will be provided these benefits in retirement at the same level provided to current personnel, as may be negotiated from time to time, whether or not the Department remains in the CalPERS program.
2. Employees hired after February 29, 2012, who qualify for post-retirement health benefits upon retirement from the Department, are eligible to receive a Department contribution toward their post-retirement health benefits at the same level as current employees if they: a) have a minimum of five (5) years of CalPERS-credited service with the Department, and b) have a total of at least ten (10) years of CalPERS-credited service. Once an employee has completed five (5) years of service with the Department, their eligibility for post-retirement health benefits will include all years of CalPERS-credited service, including any service with another public agency.
3. Employees hired on or after October 1, 2019, who qualify for post-retirement health benefits upon retirement from the Department, are eligible to receive a maximum Department contribution of up to employee plus spouse toward their post-retirement health benefits. The requirements listed in VI. C. 2. must also be met to receive a Department contribution.
4. Employees meeting the criteria above will receive a Department contribution towards their post-retirement health benefits as defined in California Government Code Section 22892 as follows:

Total Credited Years of Service	Percent (%) of Department Contribution
10	50%
11	55%
12	60%
13	65%
14	70%

15	75%
16	80%
17	85%
18	90%
19	95%
20 or more	100%

D. Dental and Vision Insurance

The Department provides the following dental and vision benefits to eligible full-time and part-time (minimum 32 hours/week) regular and probationary employees:

1. Tier 1: Employees hired prior to October 1, 2019

Employees have the option to keep the existing Health Reimbursement Arrangement (HRA) as set forth below, or to elect coverage under the Department-sponsored dental and vision insurance.

For those employees who elect to maintain the HRA benefit, the Department will make the following contribution on the last day of each pay period, to an accumulating fund (the Fund) for dental and vision care for participating employees and their dependents:

- \$ 66.92 for an employee with no dependents;
- \$ 80.77 for an employee with one (1) dependent;
- \$ 103.85 for an employee with two (2) or more dependents.

(A "dependent" for this purpose is defined as a dependent qualifying for health care under CalPERS rules, with the exception that the Department's dental and vision insurance plan recognizes a dependent as up to age 23.) Each participating employee is entitled to draw upon his or her contributed share of the Fund for dental and vision charges, in accordance with the Department Policy Manual, provided written verification of such charges is submitted to the Department prior to reimbursement (See Employee Reimbursement and Purchases, Subsection L, Number 1). Retirees may carry over their existing dental and vision account balance and are allowed to draw up to their contributed share of the Fund for dental and vision charges, provided verification of such charges is submitted to the Department prior to reimbursement.

For those employees who elect insurance coverage, the Department will pay one hundred percent (100%) of the premium for the Department-sponsored dental and vision insurance plan. This election must be made during open enrollment or following a qualifying event. Once an employee elects insurance coverage, the

change is irrevocable and the employee may not go back to participating in the HRA.

Employees' participation in the HRA is limited to active employees only and any employee who retires during the term of this Resolution shall only be eligible for the insurance coverage option as of the date of retirement.

Employees who enroll in insurance coverage may keep any existing HRA balance as of the last day before the insurance becomes effective and will be able to use it for future qualifying expenditures until the HRA balance is exhausted. However, the Department will make no further contributions to the HRA on behalf of employees enrolled in the dental and vision insurance plan.

- a. Employees hired prior to October 1, 2013, who qualify for post-retirement benefits will be provided dental and vision insurance into retirement, with a maximum Department contribution level of employee plus one, with no years of service restrictions (grandfathered).
- b. Employees hired after October 1, 2013, who qualify for post-retirement benefits will be provided dental and vision insurance into retirement, with a maximum Department contribution level of employee plus one, if they have a minimum of ten (10) years of CalPERS credited service with the Department.
- c. In order to receive the dental and vision benefit the member must be enrolled in the Department's healthcare plan or are receiving the cash in lieu of health insurance waiver.
- d. If two (2) employees are in the same family (husband-wife, parent, dependent child, etc.) only one (1) can receive the "family rate" the other member would receive the single rate and be reimbursed for properly submitted requests as such.

2. Tier 2: Employees hired on or after October 1, 2019

- a. The Department will pay one hundred percent (100%) of the premium for the Department-sponsored dental and vision insurance plan. New employees are not eligible to participate in the HRA.
- b. Employees who retire from the Department, are eligible to receive a Department contribution toward their post-retirement dental and vision insurance, with a maximum Department contribution of employee plus one, if they have a minimum of ten (10) years of CalPERS credited service with the Department.
- c. In order to receive the dental and vision benefit the member must be enrolled in the Department's healthcare plan or are receiving the cash in lieu of health insurance waiver.
- d. If two (2) employees are in the same family (husband-wife, parent, dependent child, etc.) only one (1) can receive the "family rate" the other member would receive the single rate and be reimbursed for properly submitted requests as such.

E. Life Insurance

Each full-time employee and part-time employee working a minimum of thirty-two (32) hours per week will be granted a minimum of twenty thousand dollars (\$20,000.00) term life insurance policy. Each employee shall have the right to designate the beneficiary of said policy.

F. Short-Term Disability Insurance

Employees contribute through payroll tax to California's state disability insurance program.

VII. RETIREMENT

The Department provides retirement benefits under CalPERS for eligible employees.

Miscellaneous Non-Safety Employees:

- Hired before November 27, 2012 (Classic Miscellaneous (Tier 1)): CalPERS retirement formula of 3% @ 60. (One Year Final Compensation)
- Hired after November 26, 2012, who are active CalPERS members prior to January 1, 2013 (Classic Miscellaneous (Tier 2)): CalPERS retirement formula of 2% @ 55. (Three Years Final Compensation)
- Hired after December 31, 2012, who are new CalPERS employees (Tier 3): CalPERS retirement formula of 2% @ 62 (PEPRA): Employees shall contribute one-half (1/2) of the normal cost rate. (Three Years Final Compensation)

Classic Miscellaneous (Tier 1) Members

Classic Miscellaneous (Tier 1) employees shall contribute a total of five percent (5%) of their CalPERS reportable compensation (exclusive of Employer-Paid Member Contributions (EPMC)) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

Effective the first pay period following July 1, 2020, through contract amendment with CalPERS for cost sharing, Classic Miscellaneous (Tier 1) employees shall contribute an additional one-and one-half percent (1.5%) for a total of six and one-half percent (6.5%) of their CalPERS reportable compensation (excluding EPMC) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

Effective the first full pay period following July 1, 2021, through contract amendment with CalPERS for cost sharing, Classic Miscellaneous (Tier 1) employees shall contribute an additional one and one-half percent (1.5%), for a total of eight percent (8%) of their CalPERS reportable compensation (excluding EPMC) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's

contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

Classic Miscellaneous (Tier 2) Members

Classic Miscellaneous (Tier 2) employees shall contribute a total of five percent (5%) of their CalPERS reportable compensation (excluding EPMC) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

Effective the first pay period following July 1, 2020, through contract amendment with CalPERS for cost sharing, Classic Miscellaneous (Tier 2) employees shall contribute an additional one and one-half percent (1.5%) for a total of six and one-half percent (6.5%) of their CalPERS reportable compensation (excluding EPMC) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

Effective the first full pay period following July 1, 2021, through contract amendment with CalPERS for cost sharing, Classic Miscellaneous (Tier 2) employees shall contribute an additional one and one-half percent (1.5%), for a total of eight percent (8%) of their CalPERS reportable compensation (excluding EPMC) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

New Members (Tier 3)

Employees who are "new members" as defined by PEPRAs shall be covered by the CalPERS Three Percent (3%) at 62 formula for Miscellaneous. Employees shall contribute one-half (1/2) of the normal cost rate as defined by CalPERS. This contribution may fluctuate with fluctuations in the normal cost rate.

VIII. FLEXIBLE SPENDING ACCOUNTS

The Department offers Dependent Care and Health Care Flexible Spending Accounts (FSA). This benefit allows employees pre-tax deductions for dependent and health care expenses. This is available to all regular and limited-term employees.

IX. HOLIDAYS

All full-time non-shift personnel shall receive the following paid holidays:

1. January 1 - New Year's Day
2. January - Martin Luther King Day (Observed)
3. February (3rd Monday) - President's Day
4. May (Last Monday) - Memorial Day
5. July 4 - Independence Day
6. September (1st Monday) - Labor Day
7. October 12 (Observed) - Columbus Day
8. November 11 (Observed) - Veterans Day

- 9. November (Fourth Thursday) - Thanksgiving
- 10. November - Friday after Thanksgiving
- 11. December 24 - Christmas Eve
- 12. December 25 - Christmas Day

In addition to the regularly recognized holidays, the Administrative Office will be closed from Christmas Eve through New Year’s Day. Employees that elect to take time off during this scheduled office closure must use their accrued vacation or administrative leave for any day not recognized as a Department Holiday. Employees may elect to work during the days not recognized as a Department Holiday, in lieu of using accrued vacation or administrative leave.

X. VACATION

A. Below is the vacation accrual schedule:

Years of Service Completed	Hours Per Year
0 – 4 Years	120 hours
5 – 9 Years	152 hours
10 – 14 Years	192 hours
15 – 19 Years	208 hours
20+ Years	224 hours

- B. Part-time employees will accrue vacation on a pro-rated basis.
- C. Temporary employees do not accrue paid vacation.
- D. Vacation shall start accruing on the first full pay period following date of hire.
- E. Employees become eligible to take accrued vacation after six (6) months of active service as work schedules permit.
- F. Increases in vacation accrual rates are effective the first pay period following the employee’s anniversary date.
- G. Accrued vacation shall not exceed two hundred-eighty (280) hours at any given time. Time accrued in excess of these limits will be paid out at one hundred percent (100%) of an employee’s base hourly rate on the paycheck for the first full pay period in December.

XI. SICK LEAVE

- A. Sick Leave is defined as leave taken to care for self or family (kin) in the event of illness or injury, as defined in California Labor Code Section 233.
- B. Sick leave shall accrue at a rate of one hundred thirty-six (136) hours per year.
- C. Part-time employees will accrue sick leave on a pro-rated basis.
- D. Temporary employees do not accrue sick leave.
- E. Sick leave shall start accruing on the first day of the month following date of hire.
- F. Maximum accumulation of sick leave shall be unlimited.

G. Payment of Unused Sick Leave

The payment of unused sick leave is authorized by the Department as a means of rewarding employees who have made conscientious efforts to maximize their attendance on the job. Permanent employees, regardless of length of service, shall be entitled to payment for accrued sick leave as indicated below, up to their date of separation. However, employees whose separation is caused by dismissal shall not be entitled to payment for unused sick leave.

Number of Sick Leave Days Accumulated	
Days Accumulated	Percentage of Days Compensation is Given
135+	60%
112-134	50%
88-111	40%
64-87	30%
41-63	20%
0-40	0%

- a. In the event of a death, the beneficiary of the employee shall be paid for those sick leave hours for which the employee would have been paid had employment terminated on the date of death.
- b. Upon an employee's retirement, any unused sick leave hours/days for which compensation has not been awarded may be credited to the CalPERS Sick Leave Credit, if allowed, covered by the Contract between the Department and CalPERS. An employee may at his or her discretion convert all unused sick leave to CalPERS "Sick Leave Credit" and forgo compensation outlined in the table above.

XII. ADMINISTRATIVE LEAVE

Ten (10) workdays of Administrative Leave shall be granted at the beginning of each calendar year. Administrative Leave days may not be carried over from one calendar year to the next.

XIII. BEREAVEMENT LEAVE

Up to five (5) days per person per occurrence shall be granted due to the death of his or her current spouse, registered domestic partner, child, parent, legal guardian, brother, sister, grandparent, grandchild, mother-in-law, father-in-law, or the death of any child or close relative who resides with the employee at the time of death. After bereavement leave has been exhausted, additional accrued leave may be granted at the sole discretion of the Fire Chief or designee.

EL DORADO HILLS COUNTY WATER
DISTRICT (FIRE DEPARTMENT)

Unrepresented/Non-Safety

Administrative Support

Salary and Benefits
Resolution

October 1, 2019 - June 30, 2023

Note: This is not a complete list of salary and benefits. For a complete and thorough explanation of salary, benefits and more, please view the Employee Handbook located on the Intranet>Governing Documents

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SALARY AND BENEFITS RESOLUTION

I. GENERAL

- A. This Salary and Benefits Resolution (Resolution) is for Unrepresented Non-Safety Administrative Support personnel that are regular full-time employees of the El Dorado Hills County Water District, also known as the El Dorado Hills Fire Department (Department). This Resolution includes employees in positions of Accounting Specialist/Board Clerk, Administrative Assistant I, Administrative Assistant II, Community Risk Reduction Technician, Fire Prevention Inspector I, Fire Prevention Inspector II, Fire Prevention Specialist, and Operations Support Specialist.
- B. The salary and benefit adjustments are for the period commencing October 1, 2019 and ending June 30, 2023.

II. SALARIES

Employees shall receive the following Cost of Living Adjustments:

- A. Effective the first full pay period after October 1, 2019, employees shall receive a two percent (2%) increase to base salary. Reference the below salary schedule:

CLASSIFICATION		STEPS				
		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
ACCOUNTING SPECIALIST/BOARD CLERK	HOURLY	\$29.32	\$30.78	\$32.31	\$33.94	\$35.63
	MONTHLY	\$5,082	\$5,336	\$5,600	\$5,883	\$6,176
ADMIN ASST. I	HOURLY	\$23.34	\$24.51	\$25.73	\$27.02	\$28.37
	MONTHLY	\$4,046	\$4,249	\$4,459	\$4,684	\$4,918
ADMIN ASST.II	HOURLY	\$27.92	\$29.32	\$30.77	\$32.32	\$33.93
	MONTHLY	\$4,840	\$5,082	\$5,334	\$5,603	\$5,882
COMMUNITY RISK TECHNICIAN	HOURLY	\$23.34	\$24.51	\$25.73	\$27.02	\$28.37
	MONTHLY	\$4,046	\$4,249	\$4,459	\$4,684	\$4,918
FIRE PREVENTION INSPECTOR I	HOURLY	\$31.19	\$32.75	\$34.38	\$36.11	\$37.91
	MONTHLY	\$5,406	\$5,677	\$5,960	\$6,259	\$6,571
FIRE PREVENTION INSPECTOR II	HOURLY	\$36.70	\$38.54	\$40.46	\$42.49	\$44.62
	MONTHLY	\$6,362	\$6,680	\$7,014	\$7,365	\$7,734
FIRE PREVENTION SPECIALIST	HOURLY	\$42.39	\$44.51	\$46.74	\$49.07	\$51.52
	MONTHLY	\$7,348	\$7,714	\$8,101	\$8,505	\$8,930
OPS. SUPPORT SPECIALIST	HOURLY	\$21.08	\$22.13	\$23.24	\$24.40	\$25.61
	MONTHLY	\$3,653	\$3,837	\$4,028	\$4,229	\$4,440

*Salary data is based on an 80-hour biweekly pay period

- B. Effective the first full pay period after July 1, 2020, employees shall receive a three percent (3%) increase to base salary. The salary schedule will be available at the time of this scheduled salary increase.
- C. Effective the first full pay period after July 1, 2021, employees shall receive a two and one-half percent (2.5%) increase to base salary. The salary schedule will be available at the time of this scheduled salary increase.
- D. Effective the first full pay period after October 1, 2021, a one percent (1%) increase to base salary may be awarded if growth in the El Dorado Hills Property Tax Revenue for Fiscal Year (FY) 2021-22 exceeds five percent (5%). For the salary adjustment, the percent change in property tax revenue will be calculated using the actual property tax revenue for (FY) 2020-21 and the property tax revenue estimate provided by El Dorado County for (FY) 2021-22.
- E. Effective the first full pay period after July 1, 2022, employees shall receive a two and one-half percent (2.5%) increase to base salary. The salary schedule will be available at the time of this scheduled salary increase.
- F. An employee shall remain in a step for a period of one (1) year before being eligible for a step increase.
- G. An employee's step increase will be the first day of the first full pay period on or after the anniversary date of the position.
- H. A step increase is not an automatic payroll adjustment. Eligibility for a step increase will be based upon employee's performance and length of service.

III. PAY DAYS

Paydays shall be bi-weekly on Friday, unless a payday falls on a holiday, in which case the regular workday immediately prior to the holiday will be the appropriate payday.

IV. UNIFORM ALLOWANCE

Positions eligible for a Uniform Allowance: Fire Prevention Inspector I, Fire Prevention Inspector II, Fire Prevention Specialist, Community Risk Reduction Technician, and Operations Support Specialist.

Each employee shall receive an annual uniform allowance of eight hundred dollars (\$800.00), payable in two (2) equal installments on the first full pay period of July and January. All eligible members shall receive a uniform allowance regardless of their schedule or assignment. The uniform allowance will cease if a position is no longer required to wear a Department uniform.

V. EDUCATION INCENTIVES

In addition to the base salaries, employees with the following educational degrees or certificates shall receive additional compensation as specified below, provided a current certificate is presented to the Department. To be compensated for an Associate's, Bachelor's, or Master's Degree, an employee must submit an official copy of their transcripts to the department. The official transcripts should be mailed directly from the college or university where the degree was attained to the Department addressed c/o Director of Human Resources-

Confidential. The official transcripts must be from a regionally or nationally accredited school, recognized by the United States Department of Education or the Council for Higher Education Accreditation (CHEA). (Exceptions to this rule must be approved by the Fire Chief, or by appeal to the Board.)

AA/AS	BA/BS	MA/MS	EMT
\$250 Monthly	\$500 Monthly	\$750 Monthly	\$100 Monthly

All education incentives are non-stackable, with the exception of the Emergency Medical Technician (EMT) incentive. Incentives are paid in equal increments over twenty-six (26) pay periods during the calendar year.

Paramedic Compensation

Those in the positions of Fire Prevention Inspector I/II and Fire Prevention Specialist, who have their California State Paramedic License, and are in good standing with the State of California EMSA, are eligible for Paramedic incentive pay in the amount of two hundred dollars (\$200) per month. The EMT and Paramedic incentives are non-stackable.

VI. LONGEVITY PAY

The Department shall provide longevity pay as set forth hereinafter. All personnel shall receive an annual longevity pay disbursement per the following schedule and paid in equal increments over twenty-six (26) pay periods.

Upon Completion of Years of Service	Annual Pay
10	\$2,500
15	\$2,750
20	\$3,000
25	\$3,500
30	\$4,000

*Note: Years of Service must be as a paid employee of the Department and continuous, without interruption. Longevity pay increases shall be effective on the first pay-period following the employee’s anniversary date.

VII. HEALTH AND WELFARE BENEFITS

A. Health Insurance

1. Department shall continue its participation in the California Public Employees Retirement System (CalPERS) Health Program. Employees shall be eligible for group health insurance the first day of the month following the date of hire.

2. Effective January 1, 2020, the Department shall contribute a maximum monthly amount of up to two thousand nine hundred thirty-two dollars and twenty cents (\$2,932.20).
3. Effective January 1, 2021, the Department shall contribute a maximum monthly amount of up to two thousand eight hundred fifty dollars (\$2850.00).

B. Cash In-Lieu of Group Health Insurance

1. Employees that elect to waive coverage under the Department's health insurance program beginning the first open enrollment period after October 1, 2019, shall be compensated five-hundred dollars (\$500) per month payable over twenty-six (26) pay periods. This payment shall be in addition to their regular monthly compensation and is in-lieu of the Department provided health insurance benefits.

Such benefits shall be payable beginning the first full pay period of the month of the elected plan year (January), and shall continue during that plan year as long as the waiver is in effect and as long as the employee would otherwise be eligible for such insurance and premium rates in the absence of a waiver.

2. Employees enrolled in individual coverage (including but not limited to) Medicare, Tricare, Medi-Cal and Covered California are not eligible to receive cash in-lieu for other health coverage, even if the coverage provides minimum value.
3. In order to participate in the cash in-lieu of health insurance, the employee shall provide proof of alternate coverage and sign a declination of health coverage stating that he or she does have alternative coverage and that he or she understands that he or she will no longer receive coverage for themselves and their family through a Department provided health plan. This will be required at every open enrollment period the employee elects to waive health coverage.
4. Any such amount of health reimbursement added to wages is not compensation for retirement purposes as defined by the CalPERS.

C. Retiree Health

1. Employees hired prior to March 1, 2012, who qualify for post-retirement health benefits will be provided these benefits in retirement at the same level provided to current personnel, as may be negotiated from time to time, whether or not the Department remains in the CalPERS program.
2. Employees hired after February 29, 2012, who qualify for post-retirement health benefits upon retirement from the Department, are eligible to receive a Department contribution toward their post-retirement health benefits at the same level as current employees if they:
 - a) have a minimum of five (5) years of CalPERS-credited service with the Department, and
 - b) have a total of at least ten (10) years of CalPERS-credited service. Once an employee has completed five (5) years of service with the Department, their eligibility for post-retirement health benefits will include all years of CalPERS-credited service, including any service with another public agency.

3. Employees hired on or after October 1, 2019, who qualify for post-retirement health benefits upon retirement from the Department, are eligible to receive a maximum Department contribution of up to employee plus spouse toward their post-retirement health benefits. The requirements listed in VII. C. 2. must also be met to receive a Department contribution.
4. Employees meeting the criteria above will receive a Department contribution towards their post-retirement health benefits as defined in California Government Code Section 22892 as follows:

Total Credited Years of Service	Percent (%) of Department Contribution
10	50%
11	55%
12	60%
13	65%
14	70%
15	75%
16	80%
17	85%
18	90%
19	95%
20 or more	100%

D. Dental and Vision Insurance

The Department provides the following dental and vision benefits to eligible full-time and part-time (minimum 32 hours/week) regular and probationary employees:

1. Tier 1: Employees hired prior to October 1, 2019

Employees have the option to keep the existing Health Reimbursement Arrangement (HRA) as set forth below, or to elect coverage under the Department-sponsored dental and vision insurance.

For those employees who elect to maintain the HRA benefit, the Department will make the following contribution on the last day of each pay period, to an accumulating fund (the Fund) for dental and vision care for participating employees and their dependents:

- \$ 66.92 for an employee with no dependents;
- \$ 80.77 for an employee with one (1) dependent;
- \$ 103.85 for an employee with two (2) or more dependents.

(A "dependent" for this purpose is defined as a dependent qualifying for health care under CalPERS rules, with the exception that the Department's dental and vision insurance plan recognizes a dependent as up to age 23.) Each participating employee is entitled to draw upon his or her contributed share of the Fund for dental and vision charges, in accordance with the Department Policy Manual, provided written verification of such charges is submitted to the Department prior to reimbursement (See Employee Reimbursement and Purchases, Subsection L, Number 1). Retirees may carry over their existing dental and vision account balance and are allowed to draw up to their contributed share of the Fund for dental and vision charges, provided verification of such charges is submitted to the Department prior to reimbursement.

For those employees who elect insurance coverage, the Department will pay one hundred percent (100%) of the premium for the Department-sponsored dental and vision insurance plan. This election must be made during open enrollment or following a qualifying event. Once an employee elects insurance coverage, the change is irrevocable and the employee may not go back to participating in the HRA.

Employees' participation in the HRA is limited to active employees only and any employee who retires during the term of this Resolution shall only be eligible for the insurance coverage option as of the date of retirement.

Employees who enroll in insurance coverage may keep any existing HRA balance as of the last day before the insurance becomes effective and will be able to use it for future qualifying expenditures until the HRA balance is exhausted. However, the Department will make no further contributions to the HRA on behalf of employees enrolled in the dental and vision insurance plan.

- a. Employees hired prior to October 1, 2013, who qualify for post-retirement benefits will be provided dental and vision insurance into retirement, with a maximum Department contribution level of employee plus one, with no years of service restrictions (grandfathered).
- b. Employees hired after October 1, 2013, who qualify for post-retirement benefits will be provided dental and vision insurance into retirement, with a maximum Department contribution level of employee plus one, if they have a minimum of ten (10) years of CalPERS credited service with the Department.
- c. In order to receive the dental and vision benefit the member must be enrolled in the Department's healthcare plan or are receiving the cash in lieu of health insurance waiver.
- d. If two (2) employees are in the same family (husband-wife, parent, dependent child, etc.) only one (1) can receive the "family rate" the other member would receive the single rate and be reimbursed for properly submitted requests as such.

2. Tier 2: Employees hired on or after October 1, 2019

- a. The Department will pay one hundred percent (100%) of the premium for the Department-sponsored dental and vision insurance plan. New employees are not eligible to participate in the HRA.
- b. Employees who retire from the Department, are eligible to receive a Department contribution toward their post-retirement dental and vision insurance, with a maximum Department contribution of employee plus one, if they have a minimum of ten (10) years of CalPERS credited service with the Department.
- c. In order to receive the dental and vision benefit the member must be enrolled in the Department's healthcare plan or are receiving the cash in lieu of health insurance waiver.
- d. If two (2) employees are in the same family (husband-wife, parent, dependent child, etc.) only one (1) can receive the "family rate" the other member would receive the single rate and be reimbursed for properly submitted requests as such.

E. Life Insurance

Each full-time employee and part-time employee working a minimum of thirty-two (32) hours per week will be granted a minimum of twenty thousand dollars (\$20,000.00) term life insurance policy. Each employee shall have the right to designate the beneficiary of said policy.

F. Short-Term Disability Insurance

Employees contribute through payroll tax to California's State Disability Insurance (SDI) program.

VIII. RETIREMENT

The Department provides retirement benefits under the CalPERS for eligible employees.

Miscellaneous Non-Safety Employees

- Hired before November 27, 2012 (Classic Miscellaneous (Tier 1)): CalPERS retirement formula of 3% @ 60. (One Year Final Compensation)
- Hired after November 26, 2012, who are active CalPERS members prior to January 1, 2013 (Classic Miscellaneous (Tier 2)): CalPERS retirement formula of 2% @ 55. (Three Years Final Compensation)
- Hired after December 31, 2012, who are new to CalPERS (Tier 3): 2% @ 62 (PEPRA): Employees shall contribute one-half (1/2) of the normal cost rate. (Three Years Final Compensation).

Classic Miscellaneous (Tier 1) Members

Classic Miscellaneous (Tier 1) employees shall contribute a total of five percent (5%) of their CalPERS reportable compensation (exclusive of Employer-Paid Member

Contributions (EPMC)) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

Effective the first pay period following July 1, 2020, through contract amendment with CalPERS for cost sharing, Classic Miscellaneous (Tier 1) employees shall contribute an additional one and one-half percent (1.5%) for a total of six and one-half percent (6.5%) of their CalPERS reportable compensation (excluding EPMC) to the employer's percentage contribution to CalPERS. Payments will be deducted on a pre-tax basis and applied towards the employer's contribution pursuant to IRC Section 414(h)(2) and California Government Code Section 20516.

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New Members (Tier 3)

Employees who are "new members" as defined by PEPR, shall be covered by the CalPERS Three Percent (3%) at 62 formula for Miscellaneous. Employees shall contribute one-half (1/2) of the normal cost rate as defined by CalPERS. This contribution may fluctuate with fluctuations in the normal cost rate.

IX. FLEXIBLE SPENDING ACCOUNTS

The Department offers Dependent Care and Health Care Flexible Spending Accounts (FSA). This benefit allows employees pre-tax deductions for dependent and health care expenses. This is available to all regular and limited-term employees.

X. HOLIDAYS

All full-time non-shift personnel shall receive the following paid holidays:

1. January 1 - New Year's Day
2. January - Martin Luther King Day (Observed)
3. February (3rd Monday) - President's Day
4. May (Last Monday) - Memorial Day
5. July 4 - Independence Day
6. September (1st Monday) - Labor Day
7. October 12 (Observed) - Columbus Day
8. November 11 (Observed) - Veterans Day
9. November (Fourth Thursday) - Thanksgiving
10. November - Friday after Thanksgiving
11. December 24 - Christmas Eve
12. December 25 - Christmas Day

In addition to the regularly recognized holidays, the Administrative Office will be closed from Christmas Eve through New Year's Day. Employees that elect to take time off during this scheduled office closure must use their accrued vacation or discretionary personal time off (DPT), as referenced below in Section XIII, accruals for any day not recognized as a Department Holiday. Employees may elect to work on the days not recognized as a Department Holiday, in lieu of using accrued vacation or DPT.

XI. VACATION

A. The vacation accrual schedule is as follows:

Years of Service Completed	Hours Per Year
0 – 4 Years	120 hours
5 – 9 Years	152 hours
10 – 14 Years	192 hours
15 – 19 Years	208 hours
20+ Years	224 hours

- B. Part-time employees will accrue vacation on a pro-rated basis.
- C. Temporary employees do not accrue paid vacation.
- D. Vacation shall start accruing on the first full pay period following date of hire.
- E. Employees become eligible to take accrued vacation after six (6) months of active service as work schedules permit.
- F. Increases in vacation accrual rates are effective the first pay period following the

employee's anniversary date.

- G. Accrued vacation shall not exceed two hundred-eighty (280) hours at any given time. Time accrued in excess of these limits will be paid out at one hundred percent (100%) of an employee's base hourly rate on the paycheck for the first full pay period in December.

XII. SICK LEAVE

- A. Sick Leave is defined as leave taken to care for self or family (kin) in the event of illness or injury, as defined in California Labor Code Section 233.
- B. Sick leave shall accrue at a rate of one hundred thirty-six (136) hours per year.
- C. Part-time employees will accrue sick leave on a pro-rated basis.
- D. Temporary employees do not accrue sick leave.
- E. Sick leave shall start accruing on the first full pay period following date of hire.
- F. Maximum accumulation of sick leave shall be unlimited.
- G. Payment of Unused Sick Leave

The payment of unused sick leave is authorized by the Department as a means of rewarding employees who have made conscientious efforts to maximize their attendance on the job. Permanent employees, regardless of length of service, shall be entitled to payment for accrued sick leave as indicated below, up to their date of separation. However, employees whose separation is caused by dismissal shall not be entitled to payment for unused sick leave.

Number of Sick Leave Days Accumulated	
Days Accumulated	Percentage of Days Compensation is Given
135+	60%
112-134	50%
88-111	40%
64-87	30%
41-63	20%
0-40	0%

- a. In the event of a death, the beneficiary of the employee shall be paid for those sick leave hours for which the employee would have been paid had employment terminated on the date of death.
- b. Upon an employee's retirement, any unused sick leave hours/days for which compensation has not been awarded may be credited to the CalPERS Sick Leave Credit, if allowed, covered by the contract between the Department and CalPERS. An employee may at his or her discretion convert all unused

sick leave to CalPERS “Sick Leave Credit” and forgo compensation outlined in the table above.

XIII. DISCRETIONARY PERSONAL TIME OFF

Non-exempt unrepresented employees may, upon approval from direct supervisor, be eligible to convert up to twenty-four (24) hours of sick leave per calendar year to “discretionary personal time off” (DPT) for use for personal reasons. The number of hours will be prorated for part-time employees based on their standard work hours. Such DPT must be requested at least one (1) week in advance and each request shall be evaluated on a case-by-case basis. If a request is granted, the requesting employee must take DPT as designated in the request. DPT will be available at the beginning of each calendar year and will not carry over from one (1) calendar year to the next.

XIV. BEREAVEMENT LEAVE

- A. Up to five (5) days per person per occurrence shall be granted due to the death of his or her current spouse, registered domestic partner, child, parent, legal guardian, brother, sister, grandparent, grandchild, mother-in-law, father-in-law, or the death of any child or close relative who resides with the employee at the time of death. After bereavement leave has been exhausted, additional accrued leave may be granted at the discretion of the Fire Chief or designee.
- B. Part-time employees will receive bereavement on a pro-rated basis.
- C. Temporary employees do not receive bereavement leave.

RESOLUTION NO. 2019-11

FIXING THE EMPLOYER CONTRIBUTION AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS UNDER THE PUBLIC EMPLOYEES’ MEDICAL AND HOSPITAL CARE ACT

WHEREAS, (1) El Dorado Hills County Water District is a contracting agency under Government Code Section 22920 and subject to the Public Employees’ Medical and Hospital Care Act (the “Act”); and

WHEREAS, (2) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, (3) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; and

RESOLVED, (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of:

Medical Group	Monthly Employer Contribution
001 Regular Employees	Region 1 Blue Shield Access+ Basic
002 Chief	Region 1 Blue Shield Access+ Basic
003 EMS Techs	Region 1 Blue Shield Access+ Basic
004 Reserve Fire	Region 1 Blue Shield Access+ Basic

Plus administrative fees and Contingency Reserve Fund assessments; and be it further

RESOLVED, (b) El Dorado Hills County Water District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further

RESOLVED, (c) That the participation of the employees and annuitants of El Dorado Hills County Water District shall be subject to determination of its status as an “agency or instrumentality of the state or political subdivision of a State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that El Dorado Hills County Water District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer.

RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, The Director of Finance to file with the Board a verified copy of this resolution, and to perform on behalf of El Dorado Hills County Water District all functions required of it under the Act.

Adopted at a the regular meeting of the Board of Directors at 1050 Wilson Blvd. El Dorado Hills, CA, this 17 day of October, 2019.

Signed: _____
John Giraudo, Board President

Attest: _____
Jessica Braddock, Board Secretary

INSTRUCTIONS

This resolution form is the approved form designated by the California Public Employees' Retirement System (CalPERS). It should be used by a contracting agency subject to Public Employees' Medical and Hospital Care Act (PEMHCA) when the agency desires to change the monthly employer health contribution for employees and annuitants in accordance with Government Code Section 22892.

The resolution is **effective on the first day of the second month** following the month in which the resolution is filed (date stamped as received by CalPERS; See address below).

WHEREAS, (1) should be completed with full name of the contracting agency and recognized employee organizations.

RESOLVED, (a) should be completed to specify the amount of the employer contribution toward the cost of enrollment for active employees and annuitants. The amount specified must be an amount equal to or greater than that prescribed by Section 22892(b).

Commencing January 1, 2009, the employer contribution shall be adjusted annually by the Board to reflect any change in the medical component of the Consumer Price Index, and shall be rounded to the nearest dollar.

RESOLVED, (b) should be completed with full name of the contracting agency.

RESOLVED, (c) should be completed with full name of the contracting agency.

RESOLVED, (d) requests the position title of the individual who handles the PEMHCA resolution for the contracting agency.

RESOLVED, (d) should be completed with full name of the contracting agency.

Because resolutions serve as a legally binding document, we require the original resolution, certified copy with original signatures, or a copy of the resolution with the agency's raised seal.

For resolution processing, deliver to the following:

Overnight Mail Service

California Public Employees' Retirement System
Health Resolution & Compliance Services, HAMD
400 Q Street
Sacramento, CA 95811

Regular Mail

California Public Employees' Retirement System
Health Resolution & Compliance Services, HAMD
PO BOX 942714
Sacramento, CA 94229-2714

The certification shown following the resolution is to be completed by those individuals authorized to sign for the contracting agency in legal actions and is to include the name of the executive body; i.e. Board of Directors, Board of Trustees, etc., the location and the date of signing.

El Dorado Hills Fire Department
Public Salary Schedule
Effective 10/8/2019



CLASSIFICATION		STEPS								
		1	2	3	4	5	6	7	8	
ACCOUNTING SPECIALIST/ BOARD CLERK	Hourly	\$ 29.32	\$ 30.78	\$ 32.31	\$ 33.94	\$ 35.63				
	Monthly	\$ 5,082	\$ 5,336	\$ 5,600	\$ 5,883	\$ 6,176				
ADMIN. ASST. I	Hourly	\$ 23.34	\$ 24.51	\$ 25.73	\$ 27.02	\$ 28.37				
	Monthly	\$ 4,046	\$ 4,249	\$ 4,459	\$ 4,684	\$ 4,918				
ADMIN. ASST. II	Hourly	\$ 27.92	\$ 29.32	\$ 30.77	\$ 32.32	\$ 33.93				
	Monthly	\$ 4,840	\$ 5,082	\$ 5,334	\$ 5,603	\$ 5,882				
BATTALION CHIEF (LINE)	Hourly	\$ 43.09	\$ 45.03	\$ 47.07	\$ 49.22	\$ 51.47				
	Monthly	\$ 10,456	\$ 10,928	\$ 11,424	\$ 11,944	\$ 12,489				
CAPTAIN	Hourly	\$ 33.90	\$ 35.60	\$ 37.38	\$ 39.25	\$ 41.21				
	Monthly	\$ 8,227	\$ 8,638	\$ 9,070	\$ 9,524	\$ 10,000				
CAPTAIN/ PARAMEDIC	Hourly	\$ 35.25	\$ 37.02	\$ 38.86	\$ 40.80	\$ 42.85				
	Monthly	\$ 8,555	\$ 8,983	\$ 9,431	\$ 9,903	\$ 10,398				
COMMUNITY RISK REDUCTION TECHNICIAN	Hourly	\$ 23.34	\$ 24.51	\$ 25.73	\$ 27.02	\$ 28.37				
	Monthly	\$ 4,046	\$ 4,249	\$ 4,459	\$ 4,684	\$ 4,918				
DEPUTY CHIEF	Hourly	\$ 78.62	\$ 82.26	\$ 86.07	\$ 90.08	\$ 94.29				
	Monthly	\$ 13,627	\$ 14,258	\$ 14,919	\$ 15,614	\$ 16,343				
DIRECTOR OF FINANCE	Hourly	\$ 68.13	\$ 71.25	\$ 74.51	\$ 77.95	\$ 80.83				
	Monthly	\$ 11,810	\$ 12,349	\$ 12,916	\$ 13,511	\$ 14,010				
DIRECTOR OF HUMAN RESOURCES	Hourly	\$ 68.13	\$ 71.25	\$ 74.51	\$ 77.95	\$ 80.83				
	Monthly	\$ 11,810	\$ 12,349	\$ 12,916	\$ 13,511	\$ 14,010				
ENGINEER	Hourly	\$ 29.56	\$ 31.04	\$ 32.59	\$ 34.22	\$ 35.93				
	Monthly	\$ 7,172	\$ 7,531	\$ 7,909	\$ 8,303	\$ 8,718				
ENGINEER/ PARAMEDIC	Hourly	\$ 31.05	\$ 32.61	\$ 34.23	\$ 35.94	\$ 37.74				
	Monthly	\$ 7,534	\$ 7,912	\$ 8,307	\$ 8,723	\$ 9,158				
FIREFIGHTER/ PARAMEDIC	Hourly	\$ 24.27	\$ 25.49	\$ 26.76	\$ 28.10	\$ 29.50	\$ 30.98	\$ 32.53	\$ 34.16	
	Monthly	\$ 5,890	\$ 6,185	\$ 6,494	\$ 6,819	\$ 7,159	\$ 7,518	\$ 7,893	\$ 8,288	
FIRE MARSHAL/ DIVISION CHIEF	Hourly	\$ 54.59	\$ 57.03	\$ 59.58	\$ 62.27	\$ 65.09				
	Monthly	\$ 9,463	\$ 9,885	\$ 10,326	\$ 10,794	\$ 11,281				
FIRE PREVENTION INSPECTOR I	Hourly	\$ 31.19	\$ 32.75	\$ 34.38	\$ 36.11	\$ 37.91				
	Monthly	\$ 5,406	\$ 5,677	\$ 5,960	\$ 6,259	\$ 6,571				
FIRE PREVENTION INSPECTOR II	Hourly	\$ 36.70	\$ 38.54	\$ 40.46	\$ 42.49	\$ 44.62				
	Monthly	\$ 6,362	\$ 6,680	\$ 7,014	\$ 7,365	\$ 7,734				
FIRE PREVENTION SPECIALIST	Hourly	\$ 42.39	\$ 44.51	\$ 46.74	\$ 49.07	\$ 51.52				
	Monthly	\$ 7,348	\$ 7,714	\$ 8,101	\$ 8,505	\$ 8,930				
OPS. SUPPORT SPECIALIST	Hourly	\$ 21.08	\$ 22.13	\$ 23.24	\$ 24.40	\$ 25.61				
	Monthly	\$ 3,653	\$ 3,837	\$ 4,028	\$ 4,229	\$ 4,440				

STANDARD FORM 218 LEASE AGREEMENT
[Modified Gross Lease]

PREMISES:

4640 Golden Foothill Parkway Suites 10 and 20

LANDLORD:

4640 Golden Foothill LLC

TENANT:

El Dorado Hills Fire Department

GUARANTOR(S):

NONE

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "**Lease**") dated May 23, 2019 for reference purposes only, is made and entered by and between: 4640 Golden Foothill LLC ("**Landlord**") and El Dorado Hills Fire Department ("**Tenant**").

The following exhibits and attachments are incorporated into and made a part of the Lease:

- Exhibit A (Outline and Location of Premises)
- Exhibit B (Example Commencement Memorandum)
- Exhibit C (Rules and Regulations)
- Exhibit D (Additional Provisions)
- Exhibit E (Tenant Improvements Exhibit)
- Exhibit F (Lease Guaranty).
- Exhibit G (Operating Expenses)

1. Basic Lease Information.

1.02 "**Building**" shall mean the one-story building located at 4640 Golden Foothill Parkway Suite 10 and 20 in El Dorado Hills, CA 95762-9753. The total "**Rentable Square Footage of the Building**" is 6,075 square feet. The Building is located within the center commonly known as the TBD (the "**Center**").

1.03 "**Premises**" shall mean the area shown on Exhibit A to this Lease. The Premises is located on the First floor and known as Suites 10 and 20. Consisting of approximately a total of 3,439 "**Rentable Square Footage**" (RSF) (3,439) Useable Square Footage (USF). Rentable Square Footage referenced herein does NOT include a share of any common areas of the building.

If the Premises include one or more floors in their entirety, all corridors and restroom facilities located on such full floors(s) shall be considered part of the Premises. The "**Rentable Square Footage of the Premises**" is deemed to be 3,439 rentable square feet, with a load factor of NA%. Landlord and Tenant stipulate and agree that the Rentable Square Footage of the Building and the Rentable Square Footage of the Premises are correct. As used herein, the "**Common Areas**" shall mean all areas and facilities outside the Premises and within the exterior boundary line of the Center and interior utility raceways within the Premises that are provided and designated by the Landlord from time to time for the general non-exclusive use of Landlord, Tenant and other tenants of the Center and their respective employees, suppliers, shippers, customers, contractors and invitees, including parking areas, loading and unloading areas, trash areas, roadways, sidewalks, walkways, parkways, driveways and landscaped areas. As an appurtenant right to Tenant's right to the use and occupancy of the Premises, Tenant shall have the non-exclusive right to use the Common Areas within the Center which are not otherwise subject to the exclusive use of other tenants within the Center in conjunction with its use of the Premises.

1.04 "**Base Rent**": Subject to proration and the other terms of Section 4.1 below, the Base Rent set forth in the schedule below is payable on the first day of each month commencing on the Commencement Date. [Base Rent for the first month that Base Rent is due is payable upon Lease execution.] Modified Gross lease requires Tenant to, in addition to rent, pay separately for power (PG&E) and water/sewer (EID) for only the Premises. Tenant to be responsible for Janitorial for the Premises: (pwsj)

Rent Schedule

Months	Monthly MG Rate/RSE	Monthly Rent	Annual MG Rent
No rent during TI work	\$0	\$0	
<i>(Target Occupancy Date)</i> 07/1/2019)	\$0	\$0	
<i>(Target Rent Commencement Date 07/1/2019)</i>			
07/1/2019 – 06/30/2020	\$1.30/SF	\$4,470.70 plus (pwsj)	\$53,648.40
07/1/2020 – 06/30/2021	\$1.34/SF	\$4,608.26 plus (pwsj)	\$55,299.12
07/1/2021 – 06/30/2022	\$1.38/SF	\$4,745.82 plus (pwsj)	\$56,949.84
07/1/2022 – 06/30/2023	\$1.42/SF	\$4,883.38 plus (pwsj)	\$58,600.56
07/1/2023 – 06/30/2024	\$1.46/SF	\$5,020.94 plus (pwsj)	\$60,251.28

Commented [MJ1]: Dates to be updated prior to signing of the lease.

1.05 **“Term”**: The Term is estimated to (i) commence on July 1, 2019 (the **“Commencement Date”**) and, (ii) unless terminated early in accordance with this Lease and subject to the Option(s) to Extend the Lease Term if such provision is specifically set forth in Exhibit D attached hereto, end on the last day of the month Sixty (60) full calendar months following the Commencement Date estimated to be June 30, 2024 (the **“Termination Date”**). The Commencement Date shall be subject to Section 3.01 below and confirmed upon occupancy by the Tenant and Landlord on the Commencement Memorandum form approved in Exhibit B herein.

Commented [MJ2]: Dates will be updated prior to signing of the lease

1.06 **“Allowance(s)”**: If there is an allowance, in addition to the Landlord’s work spelled out and defined in Exhibit E herein, then it shall be as follows: \$ (see exhibit E attached).

1.07 **“Security Deposit”**: Tenant shall pay one month’s Rent to be held by Landlord as a Security Deposit. The Security Deposit will be refunded to Tenant at expiration of the Lease, subject to any reductions as described herein.

1.08 **“Broker(s)”**: Bob Kuhl of KW Commercial represents Tenant exclusively;
Matt Cobabe represents Landlord exclusively.

The Brokers/Agents and the parties to this Lease hereby confirm that they have received, read and executed that certain Disclosure Regarding Real Estate Agency Relationship form as required under California Civil Code Sections 2079.13 through 2079.24, inclusive.

Landlord shall pay KW Commercial (Tenant’s Broker) a fee equal to 3% of the lease payments over the initial term of the lease. Payment shall be paid ½ on full execution of a lease and ½ upon commencement of rent.

1.09 **“Permitted Use”**: Tenant shall use the Premises as Offices and continuing education facility for the Fire department

1.10 "Notice Address(es)":

Tenant:	Landlord:
Prior to Commencement Date: 1050 Wilson Blvd. Eldorado Hills, CA 95762 Attn: Fire Chief MJohnson@EDHFIRE.COM	
After Commencement Date: 1050 Wilson Blvd. Eldorado Hills, CA 95762 Attn: Fire Chief MJohnson@EDHFIRE.COM	

1.11 "Business Days" are Monday through Friday of each week, exclusive of New Year's Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day ("Holidays"). Landlord may designate additional Holidays that are commonly recognized by other office buildings in the area where the Building is located. "Building Service Hours" are 7:00 A.M. to 7:00 P.M. on Business Days and 8:00 A.M. to 1:00 P.M. on Saturdays.

1.12 "Landlord Work" means the work that Landlord is obligated to perform in the Premises (if any); "Tenant Work" means the work that Tenant is obligated to perform in the Premises (if any); all pursuant to the terms and conditions set forth in Exhibit E attached hereto (the "Tenant Improvements Exhibit").

1.13 "Property" means the Building, the Common Areas and the parcel(s) of land on which it is located and the parking facilities and other improvements, if any, serving the Building and the parcel(s) of land on which they are located.

1.14 Intentionally Deleted.

1.15 **Early Occupancy.** [Check here if not applicable]. Tenant shall have the right to occupy the Premises totally or partially for the installation of furniture, fixtures and equipment for 30 days prior to the Commencement Date (the "Early Possession Period"), and the obligation to pay Base Rent shall be abated for the period of such early occupancy. All other terms of this Lease, however, (including but not limited to the obligations to carry the insurance required by Section 14) shall be in effect during the Early Possession Period. Any such early possession shall not affect nor advance the Termination Date of the initial Term. During any Early Possession Period, (i) Tenant shall not interfere or interrupt Landlord's ability to perform and complete the Landlord Work, if any, (ii) Tenant shall not operate any business within the Premises, but shall be allowed to install/set up Tenant-installed equipment and trade fixtures, and (iii) Tenant shall be solely responsible for the security of Tenant's property within the Premises and any losses thereto, and Landlord shall have no responsibility therefor.

1.16 **Parking.** Tenant shall be entitled to (i) the nonexclusive use of four (4) parking spaces per 1,000 square feet of lease space on those portions of the Common Areas designated from time to time by Landlord for parking. All parking spaces shall be used for parking by vehicles no larger than full-size passenger automobiles or pick-up trucks.

1.17 “Additional Provisions”: See Exhibit D, if any.

1.18 “Tenant’s Pro Rata Share”: 55%.

1.19 “Base Year” for Operating Expenses (defined in Exhibit G): 2020.

1.20 **Services and Utilities.**

- (a) Janitorial service shall be furnished by Tenant Landlord.
- (b) Electricity usage by Tenant shall be paid by Tenant Landlord.
- (c) Tenant shall be solely responsible for the furnishing and direct payment (including, without

limitation, hook-up and connection charges) of all other utilities which are separately metered or separately charged (including, without limitation, telephone, internet, cable television and any other special utility requirements of Tenant if available), if any, to the Premises or to Tenant and shall make such payments to the respective utility companies prior to the delinquency.

2. **Lease Grant.** The Premises are hereby leased to Tenant from Landlord, together with the right to use the Common Areas that are designated by Landlord for the common use of tenants and others (the “Common Areas”).

3. **Adjustment of Commencement Date; Possession.**

3.01 **If Landlord is required to perform Landlord Work prior to the Commencement Date:** (a) the date set forth in Section 1.05 as the Commencement Date shall instead be defined as the “Target Commencement Date”, (b) the actual Commencement Date shall be the date on which the Landlord Work is Substantially Complete (defined below); and (c) the Termination Date will be the last day of the Term as determined based upon the actual Commencement Date. Landlord’s failure to Substantially Complete the Landlord Work by the Target Commencement Date shall not be a default by Landlord or otherwise render Landlord liable for damages. Promptly after the determination of the Commencement Date, Landlord and Tenant shall enter into a Commencement Memorandum in the form attached as Exhibit B. Tenant’s failure to execute and return the Commencement Memorandum, or to provide written objection to the statements contained in the letter, within thirty (30) days after the date of the letter shall be deemed an approval by Tenant of the statements contained therein. If the Termination Date does not fall on the last day of a calendar month, Landlord and Tenant may elect to adjust the Termination Date to the last day of the calendar month in which the Termination Date occurs by the mutual execution of a Commencement Memorandum setting forth such adjusted date. The Landlord Work shall be deemed to be “Substantially Complete” upon issuance of a Certificate of Occupancy (if required) and on the date that all Landlord Work has been performed, other than any details of construction, mechanical adjustment or any other similar matter, the non-completion of which does not materially interfere with Tenant’s use of the Premises. If Landlord is delayed in the performance of the Landlord Work as a result of the acts or omissions of Tenant, the Tenant Related Parties (defined in Section 13) or their respective contractors or vendors, including, without limitation, changes requested by Tenant to approved plans, Tenant’s failure to comply with any of its obligations under the Lease, or the specification of any materials or equipment with long lead times (a “Tenant Delay”), the Landlord Work shall be deemed to be Substantially Complete on the date that Landlord could reasonably have been expected to Substantially Complete the Landlord Work absent any Tenant Delay.

3.02 **If Tenant takes possession of the Premises and opens for business, before the Commencement Date, such possession shall be subject to the terms and conditions of this Lease and Tenant shall pay Rent (defined in Section 4.01) to Landlord for each day of possession before the Commencement Date. However, except for the cost of services requested by Tenant (e.g. freight elevator usage), Tenant shall not be**

required to pay Rent for any days of possession before the Commencement Date during which Tenant, with the approval of Landlord, is in possession of the Premises for the sole purpose of performing improvements or installing flooring, furniture, equipment or other personal property. (See Section 1.15 above).

3.03 Subject to Landlord's obligation, if any, to perform Landlord Work, the Premises are accepted by Tenant in an "as-is" condition and configuration without representations or warranties by Landlord. By taking possession of the Premises, Tenant agrees that the Premises are in good order and satisfactory condition. Tenant hereby acknowledges: (a) that it has been advised by the Broker(s) to satisfy itself with respect to the condition of the Premises (including but not limited to the electrical and fire sprinkler systems, security, environmental aspects, seismic and earthquake requirements, and compliance with the CC&Rs and Laws (as those terms are defined in this Lease) and the present and future suitability of the Premises for Tenant's intended use; (b) that Tenant has made such investigation as it deems necessary with reference to such matters, is satisfied with reference thereto, and assumes all responsibility therefore as the same relate to Tenant's occupancy of the Premises and/or the terms of this Lease; and (c) that neither Landlord, nor any of Landlord's agents, has made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. Landlord warrants that the building has been constructed in compliance with all laws, including all ADA requirements for Tenant's intended use. Any future cost to bring the Property into compliance shall be borne solely by Landlord.

4. Rent.

4.01 Tenant shall pay Landlord, without any setoff or deduction, unless expressly set forth in this Lease, all Base Rent and Additional Rent due for the Term (collectively referred to as "**Rent**"). "**Additional Rent**" means all sums (exclusive of Base Rent) that Tenant is required to pay Landlord under this Lease. Tenant shall pay and be liable for all rental, sales and use taxes (but excluding income taxes), if any, imposed upon or measured by Rent. Base Rent and recurring monthly charges of Additional Rent shall be due and payable in advance in the first day of each calendar month without notice or demand, provided that the installment of Base Rent for the first full month of the Term shall be payable upon the execution of this Lease by Tenant. Rent shall be made payable to the entity, and sent to the address, Landlord designates and shall be made by good and sufficient check or by other means acceptable to Landlord. Rent not received by Landlord within five (5) business days following the date on which it was due shall accrue interest at ten percent (10%) per annum. Landlord's acceptance of less than the correct amount of Rent shall be considered a payment on account of the earliest Rent due. Rent for any partial month during the Term shall be prorated. No endorsement or statement on a check or letter accompanying payment shall be considered an accord and satisfaction. Tenant's covenant to pay Rent is independent of every other covenant in this Lease.

4.02 Tenant hereby acknowledges that late payment by Tenant to Landlord of rent and other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Landlord by the terms of any ground lease, mortgage or deed of trust covering the Premises. Accordingly, and except as provided below, if any installment of rent or other sum due from Tenant shall not be received by Landlord or Landlord's designee within five (5) business days after such amount shall be due, then, without any requirement for notice to Tenant, Tenant shall pay to Landlord a late charge equal to ten percent (10%) of such overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant (other than interest and attorneys' fees and costs). Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's Default or Breach with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

4.03 Tenant shall pay Tenant's Pro Rata Share of Operating Expenses in accordance with Exhibit G of this Lease.

5. Compliance with CC&Rs and Laws; Use. The Premises shall be used for the Permitted Use and for no other use whatsoever. Tenant shall comply with all covenants, conditions and restrictions covering the Property ("CC&Rs"), statutes, codes, ordinances, orders, permits, rules and regulations of any municipal or governmental entity whether in effect now or later, including the Americans with Disabilities Act ("Laws"), regarding the operation of Tenant's business and the use, condition, configuration and occupancy of the Premises. In addition, Tenant shall, at its sole cost and expense, promptly comply with any CC&Rs and Laws that relate to the "Base Building" (defined below), but only to the extent such obligations are triggered by Tenant's use of the Premises, other than for general office use, or Alterations or improvements in the Premises performed or requested by Tenant. "Base Building" shall include the structural portions of the Building, the public restrooms and the Building mechanical, electrical and plumbing systems and equipment located in the internal core of the Building on the floor or floors on which the Premises are located. Tenant shall promptly provide Landlord with copies of any notices it receives regarding an alleged violation of Law. Tenant shall comply with the rules and regulations of the Building attached as Exhibit C and such other reasonable rules and regulations adopted by Landlord from time to time, including rules and regulations for the performance of Alterations (defined in Section 9).

6. Security Deposit. The Security Deposit shall be delivered to Landlord upon the execution of this Lease by Tenant and held by Landlord without liability for interest (unless required by Law) as security for the performance of Tenant's obligations. The Security Deposit is not an advance payment of Rent or a measure of damages. Landlord may use all or a portion of the Security Deposit to satisfy past due Rent or to cure any Default (defined in Section 18) by Tenant, or to satisfy any other loss or damage resulting from Tenant's Default as provided in Section 19. If Landlord uses any portion of the Security Deposit, Tenant shall, within 5 days after demand, restore the Security Deposit to its original amount. Landlord shall return any unapplied portion of the Security Deposit to Tenant within thirty (30) days after the later to occur of: (a) determination of the final Rent due from Tenant; or (b) the later to occur of the Termination Date or the date Tenant surrenders the Premises to Landlord in compliance with Section 25. Landlord may assign the Security Deposit to a successor or transferee and, following the assignment, Landlord shall have no further liability for the return of the Security Deposit. Landlord shall not be required to keep the Security Deposit separate from its other accounts. Tenant hereby waives the provisions of Section 1950.7 of the California Civil Code, or any similar or successor CC&Rs and Laws now or hereinafter in effect.

7. Building/Premises Services and Utilities.

7.01 Landlord shall furnish Tenant with the Services and Utilities as designated in Section 1.20 above and the following additional Services and Utilities: (a) Landlord at Landlord's cost shall provide HVAC equipment to accommodate Tenant's specific heating and cooling needs of the Premises; (b) electricity (subject to payment for electricity usage by Tenant as set forth in Section 1.20) in accordance with the terms and conditions in Section 7.02; (c) access to the Building for Tenant and its employees 24 hours per day/7 days per week, subject to the terms of this Lease and such protective services or monitoring systems, if any, as Landlord may reasonably impose, (d) Landlord to provide at Landlord's sole cost a meter on the water and sewer to monitor water and sewer usage. Tenant to reimburse Landlord monthly for the water and sewer use charge for the Premises received from EID. (e) such other services as Landlord reasonably determines are necessary or appropriate for the Property.

7.02 Landlord's failure to furnish, or any interruption, diminishment or termination of services due to the application of CC&Rs and Laws, the failure of any equipment, the performance of repairs, improvements or alteration, utility interruptions or the occurrence of an event of Force Majeure (defined in Section 27.03) (collectively a "Service Failure") shall not render Landlord liable to Tenant, constitute eviction of Tenant, give rise to an abatement of Rent, nor relieve Tenant from the obligation to fulfill any covenant or agreement. However, if the Premises, or a material portion of the Premises, are made untenable for a period in excess of

three (3) consecutive Business Days as a result of a Service Failure that is reasonably within the control of Landlord to correct, then Tenant, as its sole remedy, shall be entitled to receive an abatement of Rent payable hereunder during the period beginning on the 4th consecutive Business Day of the Service Failure and ending on the day the service has been restored. If the entire Premises have not been rendered untenable by the Service Failure, the amount of abatement shall be equitably prorated.

8. Leasehold Improvements. All improvements in and to the Premises, including any Alterations (defined in section 9.03) (collectively, "**Leasehold Improvements**") shall remain upon the Premises at the end of the Term without compensation to Tenant, provided that Tenant, at its expense, in compliance with the National Electric Code or other applicable Law, shall remove any Cable (defined in Section 9.01 below). In addition, Landlord, by written notice to Tenant at least thirty (30) days prior to Termination Date, may require Tenant, at its expense, to remove any Landlord Work/Tenant Work or Alteration that, in Landlord's reasonable judgment, are of a nature that would require removal and repair costs that are materially in excess of the removal and repair costs associated with standard office improvements (the Cable and such other items collectively are referred to as "**Required Removables**"). Required Removables shall include, without limitation, personal baths and showers, vaults, rolling file systems and structural alterations and modifications. The Required Removables shall be removed by Tenant before the Termination Date. Tenant shall repair damage caused by the installation or removal of Required Removables. If Tenant fails to perform its obligation in a timely manner, Landlord may perform such work at Tenant's expense. Tenant, at the time it requests approval for a proposed Alteration, including any initial Alterations or Landlord Work/Tenant Work, as such terms may be defined in the Tenant Improvements Exhibit, may request in writing that Landlord advise Tenant whether the Alteration, including any initial Alterations or Landlord Work/Tenant Work, or any portion thereof, is a Required Removable. Within ten (10) days after receipt of Tenant's request, Landlord shall advise Tenant in writing as to which portions of the alteration or other improvements are Required Removables.

9. Repairs, Maintenance and Alterations.

9.01 Tenant shall keep the Premises in good condition and repair, reasonable wear and tear excepted, and shall periodically inspect the Premises to identify any conditions that are dangerous or in need of maintenance or repair. Tenant shall promptly provide Landlord with notice of any such conditions. Landlord shall, at its sole cost and expense, perform all maintenance and repairs to the Premises (except as to matters (i) caused by Tenant's neglect or wrongdoing, or (ii) Tenant's express responsibility under this Lease). Tenant's repair and maintenance obligations include, without limitation, repairs to: (a) Tenant's fixtures and equipment; and (b) electronic, fiber, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant (collectively, "**Cable**"). Subject to the terms of Section 15 below, to the extent Landlord is not reimbursed by insurance proceeds, Tenant shall reimburse Landlord for the cost of repairing damage to the Building and glass doors and storefronts caused by the acts of Tenant, Tenant Related Parties and their respective contractors and vendors.

9.02 Subject to Tenant's obligation to reimburse Landlord Tenant's Pro Rata share of the Operating Expenses, Landlord shall keep and maintain in good repair and working order and perform maintenance upon the: (a) structural elements of the Building; (b) mechanical (including HVAC), electrical, plumbing and fire/life safety systems serving the Building in general; (c) Common Areas; (d) roof of the Building; (e) exterior windows of the Building; and (f) elevators serving the Building. Landlord shall promptly make repairs for which Landlord is responsible. Tenant hereby waives any and all rights under and benefits of subsection 1 of Section 1932, and Sections 1941 and 1942 of the California Civil Code, or any similar or successor CC&Rs and Laws now or hereinafter in effect.

9.03 Tenant shall not make alteration, repairs, additions or improvements or install any Cable (collectively referred to as "**Alterations**") without first obtaining the written consent of Landlord in each instance, which consent shall not be unreasonably withheld or delayed. However, Landlord's consent shall not be required for

any Alteration that satisfies all of the following criteria (a “**Cosmetic Alteration**”): (a) is of a cosmetic nature such as painting, wallpapering, hanging pictures and installing carpeting; (b) is not visible from the exterior of the Premises or Building; (c) will not affect the Base Building; and (d) does not require work to be performed inside the walls or above the ceiling of the Premises. Cosmetic Alterations shall be subject to all the other provisions of this Section 9.03. Prior to starting work, Tenant shall furnish Landlord with plans and specifications; names of contractors reasonably acceptable to Landlord (provided that Landlord may designate specific contractors with respect to Base Building); required permits and approvals; evidence of contractor’s and subcontractor’s insurance in amounts reasonably required by Landlord and naming Landlord as an additional insured; and any security for performance in amounts reasonably required by Landlord. Changes to the plans and specifications must also be submitted to Landlord for its approval. Alterations shall be constructed in a good and workmanlike manner using materials of a quality reasonably approved by Landlord. Tenant shall reimburse Landlord for any sums paid by Landlord for third party examination of Tenant’s plans for non-Cosmetic Alterations. In addition, Tenant shall pay Landlord a fee for Landlord’s oversight and coordination of any non-Cosmetic Alteration equal to two and one-half percent (2.5%) of the cost of the non-Cosmetic Alterations. Upon completion, Tenant shall furnish “as-built” plans for non-Cosmetic Alterations, completion affidavits and full and final waivers of lien. Landlord’s approval of an Alteration shall not be deemed a representation by Landlord that the Alteration complies with Law. Tenant further agrees that any future Alterations made by Tenant to the Premises shall comply with the ADA. Tenant shall indemnify, defend, protect and hold Landlord harmless from any claims or causes of actions resulting from its failure to comply with the foregoing obligations.

10. Entry by Landlord. Landlord may not enter the Premises without twenty-four (24) hour written notice to inspect, or show the Premises or to perform or facilitate the performance of repairs, alterations or additions to the Premises except in emergencies. Landlord shall provide Tenant with twenty-four (24) hour prior written notice of entry and shall use reasonable efforts to minimize any interference with Tenant’s use of the Premises. Upon mutual agreement of date and time between Landlord and Tenant, Landlord may temporarily close all or a portion of the Premises to perform repairs, alterations and additions. Entry by Landlord shall not constitute a constructive eviction or entitle Tenant to an abatement or reduction of Rent.

11. Assignment and Subletting.

11.01 Except in connection with a Permitted Transfer (defined in section 11.04) Tenant shall not assign, sublease, transfer or encumber any interest in this Lease or allow any third party to use any portion of the Premises (collectively or individually, a “**Transfer**”) without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. Any Transfer in violation of this Section shall, at Landlord’s option, be deemed a Default by Tenant as described in Section 18, and shall be voidable by Landlord. No Transfer, including a Permitted Transfer, shall release or relieve Tenant from any obligation under this Lease. Landlord may withhold its consent to a Transfer whereby the proposed transferee intends to use the Premises for a use that is exclusive to any other tenant of the Building.

11.02 Tenant shall provide Landlord with financial statements for the proposed transferee, a fully executed copy of the proposed assignment, sublease or other Transfer documentation and such other information as Landlord may reasonably request. Within seven (7) Business Days after receipt of the required information and documentation, Landlord shall either: (a) consent to the Transfer by execution of a consent agreement in a form reasonably designated by Landlord; or (b) reasonably refuse to consent to the Transfer in writing. Tenant shall pay Landlord a review fee of \$500.00 for Landlord’s review of any Permitted Transfer or requested Transfer.

11.03 Tenant shall pay Landlord **one hundred percent (100%)** of all rent and other consideration which Tenant receives as a result of a Transfer that is in excess of the Rent payable to Landlord for the portion of the Premises and Term covered by the Transfer. Tenant shall pay Landlord for Landlord’s share of the excess within thirty (30) days after Tenant’s receipt of the excess. Tenant may deduct from the excess all reasonable

and customary expenses directly incurred by Tenant attributable to the Transfer. If Tenant is in Default, Landlord may require that all sublease payments be made directly to Landlord, in which case Tenant shall receive a credit against Rent in the amount of Tenant's share of payments received by Landlord.

11.04 Tenant may assign this Lease to a successor to Tenant by purchase, merger, consolidation or reorganization (an "**Ownership Change**") or assign this Lease or sublet all or a portion of the Premises to an Affiliate without the consent of Landlord, provided that all of the following conditions are satisfied (a "**Permitted Transfer**"): (a) Tenant is not in Default; (b) in the event of an Ownership Change, Tenant's successor shall own substantially all of the assets of Tenant and have a net worth which is at least equal to Tenant's net worth as of the day prior to the proposed Ownership Change, or in the event of a Transfer to an Affiliate (defined below), Tenant continues to have a net worth equal to or greater than Tenant's net worth at the date of this Lease or the Affiliate has a net worth equal to Tenant's net worth at the date of this Lease; (c) the Permitted Use does not change; (d) Tenant shall give Landlord written notice at least (15) Business Days prior to the effective date of the Permitted Transfer; and (e) such assignment shall not relieve Tenant's obligations hereunder. Tenant's notice to Landlord shall include information and documentation evidencing the Permitted Transfer and showing that each of the above conditions has been satisfied. If requested by Landlord, Tenant's successor shall sign a commercially reasonable form of assumption agreement. "**Affiliate**" shall mean an entity controlled by, controlling or under common control with Tenant.

12. Liens. Tenant shall not permit mechanics' or other liens to be placed upon the Property, Premises or Tenant's leasehold interest in connection with any work or service done or purportedly done by or for the benefit of Tenant or its transferees. Tenant shall give Landlord notice at least fifteen (15) days prior to the commencement of any work in the Premises to afford Landlord the opportunity, where applicable, to post and record notices of non-responsibility. Tenant, within ten (10) days of notice from Landlord, shall fully discharge any lien by settlement, by bonding or by insuring over the lien in the manner prescribed by the applicable lien Law and, if Tenant fails to do so, Tenant shall be deemed in Default under this Lease and, in addition to any other remedies available to Landlord as a result of such Default by Tenant, Landlord, at its option, may bond, insure over or otherwise discharge the lien. Tenant shall reimburse Landlord for any amount paid by Landlord, including, without limitation, reasonable attorney's fees.

13. Indemnity and Waiver of Claims.

13.01 Except to the extent caused by the negligence or willful misconduct of Landlord or any Landlord Related Parties (defined below), Tenant shall indemnify, defend and hold Landlord and Landlord Related Parties harmless against and from all liabilities, obligation, damages, penalties, claims, actions, cost, charges and expenses, including, without limitation, reasonable attorneys' fees and other professional fees (if and to the extent permitted by Law) (collectively referred to as "**Losses**"), which may be imposed upon, incurred by or asserted against Landlord or any of the Landlord Related Parties by any third party and arising out of or in connection with: (a) the acts or omissions of Tenant, its agents, contractors, employees or invitees in or about the Property; (b) any Hazardous Substance brought onto the Premises by or for Tenant or by anyone under Tenant's control; and (c) any construction or other work undertaken by Tenant on the Premises (including any design defects). The foregoing shall include, but not be limited to, the defense or pursuit of any claim or any action or proceeding involved therein, and whether or not (in the case of claims made against Landlord) litigated and/or reduced to judgment. In case any action or proceeding is brought against Landlord by reason of any of the foregoing matters, Tenant upon notice from Landlord shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord and Landlord shall cooperate with Tenant in such defense. Tenant's obligations under this Section 13.01 shall survive the expiration or termination of the Lease.

13.02 Except to the extent caused by the intentional or willful misconduct of Landlord, Tenant hereby agrees that Landlord and its trustees, managers, members, principles, beneficiaries, partners, officers, directors, employees, Lenders (defined in Section 23) and management agents (the "**Landlord Related Parties**") shall not

be liable for injury to Tenant's business or any loss of income therefrom or for damage to the improvements, trade fixtures, contents, goods, wares, merchandise or other property of Tenant, Tenant's employees, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, or from any other cause, including any negligent act of Landlord or Landlord's agents or contractors, and whether said injury or damage results from conditions arising upon the Premises. Tenant expressly acknowledges that this liability exemption is including any injury or damages that may arise due to the Premises being located in a flood hazard area. Landlord shall not be liable for any damages arising from any act or neglect of any other tenant of Landlord. Notwithstanding Landlord's negligence or breach of this Lease, Landlord shall under no circumstances be liable for injury to Tenant's business or for any loss of income or profit therefrom. Instead, it is intended that Tenant's sole recourse in the event of such damages or injury be to file a claim on the insurance policy(ies) that Tenant is required to maintain pursuant to the provisions of Section 14.

14. Insurance. Tenant shall maintain the following insurance ("**Tenant's Insurance**"): (a) Commercial General Liability Insurance applicable to the Premises and its appurtenances providing, on an occurrence basis, a minimum combined single limit of \$2,000,000.00; (b) Property/Business Interruption Insurance written on an All Risk or Special Cause of Loss Form, including earthquake sprinkler leakage, at replacement cost value and with a replacement cost endorsement covering all of Tenant's business and trade fixtures, equipment, movable partitions, furniture, merchandise and other personal property within the Premises ("**Tenant's Property**") and any Leasehold improvements performed by or for the benefit of Tenant; (c) Workers' Compensation Insurance in amounts required by Law; (d) Employers Liability Coverage of at least \$1,000,000.00 per occurrence; and (e) Loss of Business Income Insurance, including Extra Expense and Contingent Business income coverage, with the insurance limits for such insurance to be based upon a minimum of twelve (12) months business income with a 60-day extended period of indemnity endorsement. Any company writing Tenant's Insurance shall have an A.M. Best rating of not less than A-VIII. All Commercial General Liability insurance policies shall name as additional insureds Landlord (or its successors and assignees), the managing agent for the Building (or any successor), and their respective members, principals, beneficiaries, partners, officers, directors, employees, and agents, and other designees of Landlord and its successors as the interest of such designees shall appear. In addition, Landlord shall be named as a loss payee with respect to Property/Business Interruption Insurance on the Leasehold Improvements. All policies of Tenant's Insurance shall contain endorsements that the insurer(s) shall give Landlord and its designees at least thirty (30) days' advance written notice of any cancellation, termination, material change or lapse of insurance. Tenant shall provide Landlord with a certificate of insurance evidencing Tenant's Insurance prior to the earlier to occur of the Commencement Date or the date Tenant is provided with possession of the Premises, and thereafter as necessary to assure that Landlord always has current certificates evidencing Tenant's Insurance. So long as the same is available at commercially reasonable rates, Landlord shall maintain so called All Risk property insurance on the Building at replacement cost value as reasonably estimated by Landlord, together with such other insurance coverage as Landlord, in its reasonable judgment, may elect to maintain and which are ordinarily maintained by other landlords of similar type properties in the county in which the Premises are located.

15. Subrogation. Landlord and Tenant hereby waive and shall cause their respective insurance carriers to waive any and all right of recovery, claims, actions or causes of action against the other for any loss or damage with respect to Tenant's Property, Leasehold Improvements, the Building, the Premises, or any contents thereof, including rights, claims, actions and causes of action based on negligence, which loss or damage is (or would have been, had the insurance required by this Lease been carried) covered by insurance. For the purposes of the waiver, any deductible with respect to a party's insurance shall be deemed covered by and recoverable by such party under valid and collectable policies of insurance.

16. Casualty Damage.

16.01 If all or any portion of the Premises becomes untenantable by fire or other casualty to the Premises (collectively a “**Casualty**”), Landlord, with reasonable promptness, shall cause a general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required using standard working methods to Substantially Complete the repair and restoration of the Premises and any Common Areas necessary to provide access to the Premises (“**Completion Estimate**”). If the Completion Estimate indicates that the Premises or any Common Areas necessary to provide access to the Premises cannot be made tenantable within six (6) months from the date the repair is started, then either party shall have the right to terminate this Lease upon written notice to the other within ten (10) days after receipt of the Completion Estimate. Tenant, however, shall not have right to terminate this Lease if the Casualty was caused by the negligence or intentional misconduct of Tenant or any Tenant Related Parties. In addition, Landlord, by notice to Tenant within thirty (30) days after the date of the Casualty, shall have the right to terminate this Lease if: (1) the Premises have been materially damaged and there is less than one (1) year of the Term remaining on the date of the Casualty; (2) any Lender requires that the insurance proceeds be applied to the payment of the mortgage debt; or (3) a material non-covered loss to the Building or Premises occurs.

16.02 If this Lease is not terminated, Landlord shall promptly and diligently, subject to reasonable delays for insurance adjustment or other matters beyond Landlord’s reasonable control, restore the Premises and Common Areas. Such restoration shall be to substantially the same condition that existed prior to the Casualty, except for modifications required by Law or any other modifications to the Common Areas deemed desirable by Landlord. Upon notice from Landlord, Tenant shall assign or endorse over to Landlord (or to any party designated by Landlord) all property insurance proceeds payable to Tenant under Tenant’s insurance with respect to any Leasehold Improvements performed by or for the benefit of Tenant; provided if the estimated cost to repair such Leasehold Improvements exceeds the amount of insurance proceeds received by Landlord from Tenant’s insurance carrier and Landlord’s insurance carrier, the excess cost of such repairs shall be paid by Tenant to Landlord prior to Landlord’s commencement of repairs. Within fifteen (15) days of demand, Tenant shall also pay Landlord for any additional excess costs that are determined during the performance of the repairs. In no event shall Landlord be required to spend more for the restoration than the proceeds received by Landlord, whether insurance proceeds or proceeds from Tenant. Landlord shall not be liable for any inconvenience to Tenant, or injury to Tenant’s business resulting in any way from the Casualty or the repair thereof. Provided that Tenant is not in Default, during any period of time that all or a material portion of the Premises is rendered untenantable as a result of a Casualty, the Rent shall abate for the portion of the Premises that is untenantable and not used by Tenant.

16.03 The provisions of this Lease, including this Section 16, constitute an express agreement between Landlord and Tenant with respect to any and all damage to, or destruction of, all or any part of the Premises or the Property, and any Laws, including, without limitation, Sections 1932(2) and 1933(4) of the California Civil Code, with respect to any rights or obligations concerning damage or destruction in the absence of an express agreement between the parties, and any similar or successor Laws now or hereinafter in effect, shall have no application to this Lease or any damage or destruction to all or any part of the Premises or the Property.

17. Condemnation. Either party may terminate this Lease if any material part of the Premises is taken or condemned for any public or quasi-public use under Law, by eminent domain or private purchase in lieu thereof (a “**Taking**”). Landlord shall also have the right to terminate this Lease if there is a Taking of any portion of the Building or Property which would have a material adverse effect on the Landlord’s ability to profitably operate the remainder of the Building. The terminating party shall provide written notice of termination to the other party within forty-five (45) days after it first receives notice of the Taking. The termination shall be effective as of the effective date of any order granting possession to, or vesting legal title in, the condemning authority. If this Lease is not terminated, Base Rent and Tenant’s Pro Rata Share shall be appropriately adjusted to account

for and reduction in the square footage of the Building or Premises. All compensation awarded for a Taking shall be the property of Landlord. The rights to receive compensation or proceeds are expressly waived by Tenant; however, Tenant may file a separate claim for Tenant's Property and Tenant's reasonable relocation expenses, provided the filing of the claim does not diminish the amount of Landlord's award. If only a part of the Premises is subject to a Taking and this Lease is not terminated, Landlord, with reasonable diligence, will restore the remaining portion of the Premises as nearly as practicable to the condition immediately prior to the Taking. Tenant hereby waives any and all rights it might otherwise have pursuant to Section 1265.130 of the California Code of Civil Procedure, or any similar or successor Laws.

18. Events of Default. In addition to any other default specifically described in this Lease, each of the following occurrences shall be a "**Default**": (a) Tenant's failure to pay any portion of Rent when due, if the failure continues for five (5) days after written notice to Tenant ("**Monetary Default**"); (b) Tenant's failure (other than a Monetary Default) to comply with any term, provision, condition or covenant of this Lease, if the failure is not cured within thirty (30) days after written notice to Tenant provided, however, if Tenant's failure to comply cannot reasonably be cured within thirty (30) days, Tenant shall be allowed additional time (not to exceed sixty (60) days) as is reasonably necessary to cure the failure so long as Tenant begins the cure within ten (10) days and diligently pursues the cure to completion; (c) Tenant permits a Transfer without Landlord's required approval or otherwise in violation of Section 11 of this Lease; (d) Tenant or any Guarantor becomes insolvent, makes a transfer in fraud of creditors, makes an assignment for the benefit of creditors, admits in writing its inability to pay its debts when due or forfeits or loses its right to conduct business; (e) the leasehold estate is taken by process or operation of Law; (f) Tenant does not take possession of or abandons or vacates all of any portion of the Premises; or (g) Tenant is in default beyond any notice and cure period under any other lease or agreement with Landlord at the Building or Property. If Landlord provides Tenant with notice of Tenant's failure to comply with any specific provision of this Lease on three (3) separate occasions during any twelve (12) month period, Tenant's subsequent violation of such provisions shall, at Landlord's option, be an incurable Default by Tenant. All notices sent under this Section shall be in satisfaction of, and not in addition to, notice required by Law.

19. Remedies.

19.01 Upon the occurrence of and Default under this Lease, whether enumerated in Section 18 or not, Landlord shall have the option to pursue any one or more of the following remedies without notice (except as expressly prescribed herein) or demand whatsoever (and without limiting the generality of the foregoing, Tenant hereby specifically waives notice and demand for payment of Rent or other obligations, except for those notices specifically required pursuant to the terms of Section 18 or this Section 19:

(a) Terminate this Lease and Tenant's right to possession of the Premises and recover from Tenant an award of damages equal to the sum of the following:

(i) The Worth at the Time of Award of the unpaid Rent which had been earned at the time of termination;

(ii) The Worth at the Time of Award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that Tenant affirmatively proves could have been reasonably avoided;

(iii) The Worth at the Time of Award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that Tenant affirmatively proves could be reasonably avoided;

(iv) And other amount necessary to compensate Landlord for all the detriment either proximately cause by Tenant's failure to perform Tenant's obligations under this Lease or which in the ordinary course of things would be likely to result therefrom; and

(v) All such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time under applicable law.

The "**Worth at the Time of Award**" of the amounts referred to in parts (i) and (ii) above, shall be computed by allowing interest at the lesser of a per annum rate equal to: (A) the greatest per annum rate of interest permitted from time to time under applicable law, or (B) the Prime Rate plus five percent (5%). For purposes hereof, the "**Prime Rate**" shall be the per annum interest rate publicly announced as its prime or base or base rate by federally insured bank selected by Landlord in the State of California. The "Worth at the Time of Award" of the amount referred to in part (iii), above, shall be computed by discounting such amount at the discount rate of the Federal reserve Bank of San Francisco at the time of award plus one percent (1%).

(b) Employ the remedy described in California Civil Code 1951.4 (Landlord may continue this Lease in effect after Tenant's breach and abandonment and recover Rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations); or

(c) Notwithstanding Landlord's exercise of the remedy described in California Civil Code § 1951.4 in respect of an event or events of default, at such time thereafter as Landlord may elect in writing, to terminate the Lease and Tenant's right to possession of the Premises and recover an award of damages as provided above in Section 19.01(a).

19.02 The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular Rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No waiver by Landlord of any breach hereof shall be effective unless such waiver is in writing and signed by Landlord.

19.03 TENANT HEREBY WAIVES ANY AND ALL RIGHTS CONFERRED BY SECTION 3275 OF THE CIVIL CODE OF CALIFORNIA AND BY SECTIONS 1174 (c) AND 1179 OF THE CODE OF CIVIL PROCEDURE OF CALIFORNIA AND ANY AND ALL OTHER LAWS AND RULES OF LAW FROM TIME TO TIME IN EFFECT DURING THE LEASE TERM PROVIDING THAT TENANT SHALL HAVE ANY RIGHT TO REDEEM, REINSTATE OF RESTORE THIS LEASE FOLLOWING ITS TERMINATION BY REASON OF TENANT'S BREACH. TENANT ALSO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF OR RELATING TO THIS LEASE.

19.04 No right or remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder or now or hereafter existing by agreement, applicable law or in equity. In addition to other remedies providing in this Lease, Landlord shall be entitled, to the extent permitted by applicable law, to injunctive relief, or to a decree compelling performance of any of the covenants, agreements, conditions or provisions of this Lease, or and other remedy allowed to Land lord at law or in equity. Forbearance by Landlord to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default.

19.05 If Tenant is in Default of any of its non-monetary obligations under the Lease, Landlord shall have the right to perform such obligations. Tenant shall reimburse Landlord for the cost of such performance upon

demand together with an administrative charge equal to ten percent (10%) of the cost of the work performed by Landlord.

19.06 Any agreement by Landlord for free or abated rent or other charges applicable to the Premises, or for the giving or paying by Landlord to or for Tenant of any cash or other bonus, inducement or consideration for Tenant's entering into this Lease, all of which concessions are hereinafter referred to as "**Inducement Provisions**" shall be deemed conditioned upon Tenant's full and faithful performance of all of the terms, covenants and conditions of this Lease to be performed or observed by Tenant during the Term. Upon the failure of Tenant to timely cure any Default, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Landlord under such an Inducement Provision shall be immediately due and payable by Tenant to Landlord, and recoverable by Landlord, as additional Rent due under this Lease, notwithstanding any subsequent cure of said Default by Tenant.

19.07 This Section 19 shall be enforceable to the maximum extent such enforcement is not prohibited by applicable law, and the unenforceability of any portion thereof shall not thereby render unenforceable and other portion.

20. Limitation of Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS LEASE, THE LIABILITY OF LANDLORD (AND ANY SUCCESSOR LANDLORD) SHALL BE LIMITED TO THE LESSER OF (A) THE INTEREST OF LANDLORD IN THE PROPERTY, OR (B) THE EQUITY INTEREST LANDLORD WOULD HAVE IN THE PROPERTY IF THE PROPERTY WERE ENCUMBERED BY THIRD PARTY DEBT IN AN AMOUNT EQUAL TO 70% OF THE VALUE OF THE PROPERTY. TENANT SHALL LOOK SOLELY TO LANDLORD'S INTEREST IN THE PROPERTY FOR THE RECOVERY OF ANY JUDGMENT OR AWARD AGAINST LANDLORD OR AND LANDLORD RELATED PARTY. NEITHER LANDLORD NOR ANY LANDLORD RELATED PARTY SHALL BE PERSONALLY LIABLE FOR ANY JUDGMENT OR DEFICIENCY, AND IN NO EVENT SHALL LANDLORD OR ANY LANDLORD RELATED PARTY BE LIABLE TO TENANT FOR ANY LOST PROFIT, DAMAGE TO OR LOSS OF BUSINESS OR ANY FORM OF SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGE. BEFORE FILING SUIT FOR AN ALLEGED DEFAULT BY LANDLORD, TENANT SHALL GIVE LANDLORD AND THE LENDERS WHOM TENANT HAS BEEN NOTIFIED HOLD SECURITY DEVICES (DEFINED IN SECTION 23 BELOW), NOTICE AND REASONABLE TIME TO CURE THE ALLEGED DEFAULT. ADDITIONALLY, TENANT ACKNOWLEDGES AND AGREES THAT: (I) NO CLAIM MAY BE MADE AGAINST LANDLORD FOR CONSEQUENTIAL DAMAGES RESULTING FROM THE BREACH OF ANY WARRANTY EXPRESSLY MADE BY LANDLORD HEREIN; AND (II) LANDLORD HAS SET THE RENT AMOUNTS AND ENTERED INTO THIS LEASE IN RELIANCE UPON THE DISCLAIMERS OF WARRANTY AND THE LIMITATIONS OF LIABILITY SET FORTH HEREIN, THAT THE SAME REFLECT AN ALLOCATION OF RISK BETWEEN THE PARTIES (INCLUDING THE RISK THAT A CONTRACT REMEDY MAY FAIL OF ITS ESSENTIAL PURPOSE AND CAUSE CONSEQUENTIAL LOSS), AND THAT SUCH ALLOCATION OF RISK FORM AN ESSENTIAL BASIS OF THE BARGAIN BETWEEN THE PARTIES.

21. Intentionally Deleted.

22. Holding Over. If Tenant fails to surrender all or any part of the Premises at the termination of this Lease, occupancy of the Premises after termination shall be that of a tenancy at sufferance. Tenant's occupancy shall be subject to all the terms and provisions of the Lease and Tenant shall pay an amount (on a per month basis without reduction for partial months during the holdover) equal to 125% of the sum of the Base Rent and Additional Rent due for the period immediately preceding the holdover. No holdover by Tenant or payment by Tenant after the termination of this Lease shall be construed to extend the Term of payment by Tenant after the termination of this Lease shall be construed to extend the Term or prevent Landlord from immediate recovery of

possession of the Premises by summary proceedings or otherwise. If Landlord is unable to deliver possession of the Premises to a new tenant or to perform improvements for a new tenant as a result of Tenant's holdover and Tenant fails to vacate the Premises within fifteen (15) days after notice from Landlord, Tenant shall be liable for all the damages that Landlord suffers from the holdover.

23. Subordination; Attornment; and Estoppel Certificates.

23.01 Subordination. This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "**Security Device**"), now or hereafter placed by Landlord upon the real property of which the Premises are a part, to any and all advances made on the security thereof, and to all renewals, modifications, consolidations, replacements and extensions thereof. Tenant agrees that the lenders ("**Lenders**") holding any such Security Device shall have no duty, liability or obligation to perform any of the obligations of Landlord under this Lease, but that in the event of Landlord's default with respect to any such obligation, Tenant will give any Lender whose name and address have been furnished Tenant in writing for such purpose notice of Landlord's default. If any Lender shall elect to have this Lease granted hereby superior to the lien of its Security Device and shall give written notice thereof to Tenant, this Lease shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

23.02 Attornment. In the event that Landlord transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Tenant shall, subject to the non-disturbance provisions of Section 23.03, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of such new owner, this Lease shall automatically become a new Lease between Tenant and such new owner, upon all of the terms and conditions hereof, for the remainder of the term hereof, and (ii) Landlord shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Landlord's obligations hereunder, except that such new owner shall not: (a) be liable for any act or omission of any prior landlord or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which tenant might have against any prior landlord; or (c) be bound by prepayment of more than one month's rent. Tenant waives its right under any current or future law which gives or purports to give Tenant any right to terminate or otherwise adversely affect this Lease as a result of any sale of the Premises or the foreclosure or termination of any Security Device.

23.03 Non-Disturbance. With respect to Security Devices entered into by Landlord after the execution of this Lease, Landlord shall use reasonable, good faith efforts to receive a commercially reasonable non-disturbance agreement (a "**Non-Disturbance Agreement**") from the Lender which Non-Disturbance Agreement provides that Tenant's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Tenant is not in default hereof and attorns to the record owner of the Premises. Tenant acknowledges that the Non-Disturbance Agreement may contain the limitations on liability of the succeeding owner set forth in Section 23.02 above, and will be in the form that the Lender typically provides tenants such as Tenant, taking into account the terms of this Lease, the creditworthiness of Tenant and such criteria as its Lender customarily applies. Such Non-Disturbance Agreement may provide, among other things, that (i) such Lender shall be entitled to receive notice of any Landlord default under this Lease plus a reasonable opportunity to cure such default; (ii) such Lender shall not be bound by any modification or amendment to this Lease, or any cancellation or surrender of this Lease, without such Lender's consent, (iii) such Lender shall not be bound by any obligation under this Lease or any agreement to perform or pay for any improvements to the Premises; and (iv) such Lender or any successor landlord shall not: (a) be liable for any act or omission of any prior landlord or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Tenant might have against any prior landlord; (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior landlord. Landlord shall

have no obligation to negotiate the terms of the Non-Disturbance Agreement on Tenant's behalf, or to incur any legal fees or other out-of-pocket expenses in obtaining the Non-Disturbance Agreement.

23.04 Estoppel Certificates. Landlord and Tenant shall each, within twenty (20) days after receipt of a written request from the other, execute and deliver a commercially reasonable estoppel certificate to those parties as are reasonably requested by the other (including a Mortgagee or prospective purchaser). Without limitation, such estoppel certificate may include a certification as to the status of this Lease, the existence of any defaults and the amount of Rent that is due and payable

23.05 Self-Executing. The agreements contained in this Section 23 shall be effective without the execution of any further documents; provided, however, that upon written request from Landlord or a Lender in connection with a sale, financing or refinancing of Premises, Tenant and Landlord shall execute such further writings as may be reasonably required to separately document any such subordination or non-subordination, attornment and/or non-disturbance agreement as is provided for herein.

24. Notice. All demands, approvals, consents or notices (collectively referred to as a “notice”) shall be in writing and delivered by hand, email or sent by registered or certified mail with return receipt requested or sent by overnight or same day courier service, at the party’s respective Notice Address(es) set forth in Section 1. Each notice shall be deemed to have been received on the earlier to occur of actual delivery or the date on which delivery is refused, or, if Tenant has vacated the Premises or any other Notice Address of Tenant without providing a new Notice Address, three (3) days after notice is deposited in the U.S. mail or with a courier service in the manner described above. Either party may, at any time, change its Notice Address (other than to a post office box address) by giving the other party written notice of the new address.

25. Surrender of Premises. At the termination of this Lease or Tenant’s right of possession, Tenant shall remove Tenant’s Property from the Premises, and quit and surrender the Premises to Landlord, broom clean, and in good order, condition and repair, ordinary wear and tear and damage which Landlord is obligated to repair hereunder excepted. If Tenant fails to remove any of Tenant’s property within two (2) days after Termination of this Lease or Tenant’s right to possession, Landlord, at Tenant’s sole cost and expense, shall be entitled (but not obligated) to remove and store Tenant’s Property. Landlord shall not be responsible for the value, preservation or safekeeping of Tenant’s Property. Tenant shall pay Landlord, upon demand, the expenses and storage charges incurred. If Tenant fails to remove Tenant’s Property from the Premises or storage, within fifteen (15) days after notice, Landlord may deem all or any part of Tenant’s Property to be abandoned and title to Tenant’s Property shall vest in Landlord.

26. ADA Disclosure [CC§1938].

(a) Pursuant to California Civil Code §1938, Landlord hereby discloses to Tenant: an inspection of the Premises has not been performed by a Certified Access Specialist (CASp); or an inspection of the Premises has been performed by a Certified Access Specialist (CASp) and the Premises has been or has not been determined to meet all applicable construction-related accessibility standards pursuant to California Civil Code §55.53.

(b) If the Premises have undergone inspection by a CASp and, to the best of Landlord’s knowledge, there have been no modifications or alterations completed or commenced between the date of the inspection and the date of this Lease which have impacted the Premises’ compliance with construction-related accessibility standards, Landlord has provided prior to execution of this Lease, a copy of any report prepared by the CASp with the agreement from Tenant that information in the report shall remain confidential, except as necessary for Tenant to complete repairs and corrections of violations of construction-related accessibility standards that Tenant agrees to make. Making any repairs or modifications necessary to correct violations of construction-related accessibility standards that are noted in a CASp report is presumed to be the responsibility of Landlord,

unless otherwise mutually agreed upon by Landlord and Tenant, and this shall confirm that Landlord shall not be responsible to correct violations of construction-related accessibility standards that are noted in a CASp report. Tenant hereby acknowledges that Tenant had the opportunity to review any CASp report prior to execution of this Lease, and that such report was provided to Tenant at least 48 hours prior to execution of this Lease. If Tenant did not have the opportunity to review any CASp report prior to execution of this Lease, Tenant shall have the right to rescind this Lease, based upon the information contained in the report, for 72 hours after execution of this Lease. If the Premises have been issued an inspection report by a CASp, as described in paragraph (1) of subdivision (a) of Section 55.53, indicating that it meets applicable standards, as defined in paragraph (4) of subdivision (a) of Section 55.52, Landlord shall provide a copy of the current disability access inspection certificate and any inspection report to Tenant not already provided pursuant to subdivision (b) within seven days of the date of the execution of this Lease

(c) If the Premises have not been issued a disability access inspection certificate, as described in subdivision (e) of Section 55.53, a Certified Access Specialist (CASp) can inspect the Premises and determine whether the Premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the Premises, Landlord may not prohibit Tenant from obtaining a CASp inspection of the Premises for the occupancy or potential occupancy of Tenant, if requested by Tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises.

(d) After the Commencement Date, in the event that Tenant's use of the Premises requires modifications or additions to the Premises in order to be in compliance with ADA, Tenant agrees to make any such necessary modifications and/or additions at Tenant's expense. Notwithstanding the above, if there are changes to ADA after the Commencement Date which require compliance, Landlord shall make such changes to the Building or Project, with the cost thereof to be included as an Operating Cost and subject to the provisions of Paragraph 4.03 above.

27. Miscellaneous.

27.01 This Lease shall be interpreted and enforced in accordance with the Laws of the state or commonwealth in which the Building is located and Landlord and Tenant hereby irrevocably consent to the jurisdiction and proper venue of such state or commonwealth. If any term or provision of this Lease shall to any extent be void or unenforceable, the remainder of this Lease shall not be affected. If there is more than one Tenant or if Tenant is comprised of more than one party or entity, the obligations imposed upon Tenant shall be joint and several obligations of all the parties and entities, and requests or demands from any one person or entity comprising Tenant shall be deemed to have been made by all such persons or entities. Notices to any one person or entity shall be deemed to have been given to all persons and entities. Tenant represents and warrants to Landlord that each individual executing this Lease on behalf of Tenant is authorized to do so on behalf of Tenant and that Tenant is not, and the entities or individuals constituting Tenant or which may own or control Tenant or which may be owned or controlled by Tenant are not, (i) in violation of any laws relating to terrorism or money laundering, or (ii) among the individuals or entities identified on any list compiled pursuant to Executive Order 13224 for the purpose of identifying suspected terrorists or on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, <http://www.treas.gov/ofac/tlstdn.pdf> or any replacement website or other replacement official publication of such list.

27.02 If either party institutes a suit against the other for violation of or to enforce any covenant, term or condition of this Lease, the prevailing party shall be entitled to reimbursement of all of its costs and expenses, including, without limitation, reasonable attorneys' fees. Either party's failure to declare a default immediately

upon its occurrence, or delay in taking action for a default, shall not constitute a waiver of the default, nor shall it constitute an estoppel.

27.03 Whenever a period of time is prescribed for the taking of an action by Landlord or Tenant (other than the payment of the Security Deposit or Rent), the period of time for the performance of such action shall be extended by the number of days that the performance is actually delayed due to strikes, acts of God, shortages of labor or materials, war, terrorist acts, civil disturbances and other causes beyond the reasonable control of the performing party (“**Force Majeure**”).

27.04 Landlord shall have the right to transfer and assign, in whole or in part, all of its rights and obligations under this Lease and in the Building and Property. Upon transfer Landlord shall be released from any further obligations hereunder and Tenant agrees to look solely to the successor in interest of Landlord for the performance of such obligations, provided that, any successor pursuant to a voluntary, third party transfer (but not as part of an involuntary transfer resulting from a foreclosure or deed in lieu thereof) shall have assumed Landlord’s obligations under this Lease.

27.05 Landlord has delivered a copy of this Lease to Tenant for Tenant’s review only and the delivery of it does not constitute an offer to Tenant or an option. Tenant represents that it has dealt directly with and only with the Broker as a broker in connection with this Lease. Tenant shall indemnify and hold Landlord and the Landlord Related Parties harmless from all claims of any other brokers claiming to have represented Tenant in connection with this Lease. Landlord shall indemnify and hold Tenant and the Tenant Related Parties harmless from all claims of any brokers claiming to have represented Landlord in connection with this Lease.

27.06 Time is of the essence with respect to Tenant’s exercise of any expansion, renewal or extension rights granted to Tenant. The expiration of the Term, whether by lapse of time, termination or otherwise, shall not relieve either party of any obligations which accrued prior to or which may continue to accrue after the expiration or termination of this Lease.

27.07 Tenant may peacefully have, hold and enjoy the Premises, subject to the terms of this Lease, provided tenant pays the Rent and fully performs all of its covenants and agreements. This covenant shall be binding upon Landlord and its successors only during its or their respective periods of ownership of the Building.

27.08 This Lease does not grant any rights to light or air over or about the Building. Landlord excepts and reserves exclusively to itself any and all rights not specifically granted to Tenant under this Lease. This Lease constitutes the entire agreement between the parties and supersedes all prior agreements and understandings related to the Premises, including all lease proposals, letters of intent and other documents. Neither party is relying upon any warranty, statement or representation not contained in this Lease. This Lease may be modified only by a written agreement signed by an authorized representative of Landlord and Tenant.

27.09 This Lease may be executed in any number of counterparts, each of which shall be effective only upon delivery, including delivery by facsimile and/or Portable Document Format (pdf) email transmission, and thereafter shall be deemed an original, and all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page. Any signature page of this Lease may be detached from any counterpart of this Lease without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this Lease identical in form hereto but having attached to it one or more additional signature pages. Signatures transmitted via facsimile or e-mail shall be considered authentic and binding.

27.09. Disclosure of Energy Consumption Data. With regard to maintaining efficient energy within the Building, Tenant acknowledges and agrees that: (a) Energy efficiency is a primary concern for Landlord; (b) Tenant's maintenance of energy saving measures is a condition of this Lease; (c) Landlord has the right to

monitor Tenant's energy use; and (d) Landlord may restrict the use of certain energy inefficient appliances such as space heaters. If Landlord is required to upload the Building's energy usage data to the US Environmental Protection Agency's ENERGY STAR Portfolio Manager Website, Tenant shall fully authorize all utility companies utilized by Tenant at the Premises to release Tenant's energy use data for upload to the Portfolio Manager website. In accordance with California Public Resource Code § 25402.10, Landlord has deliver to Tenant prior to the execution of this Lease, or is not required to deliver to Tenant: the United States Environmental Protection Agency's ENERGY STAR Portfolio Manager benchmarking data and ratings for the most recent 12-month period with regard to the Building. For more information on the Nonresidential Building Energy Use Disclosure Program, Tenant is advised to go to <http://www.energy.ca.gov/2010publications/CEC-400-2010-004/CEC-400-2010-004-CMF.pdf>.

IN WITNESS WHEREOF, the parties have executed this Lease as of the dates set forth below.

LANDLORD:	TENANT:
<p><u>4640 Golden Foothill LLC</u></p> <p>Mathew P. Cobabe</p> <p>By: _____</p> <p>It's _____</p> <p>Date: _____</p>	<p>El Dorado Hills Fire Department</p> <p>By: _____</p> <p>It's _____</p> <p>Date: _____</p>

EXHIBIT A

OUTLINE AND LOCATION OF PREMISES

Architect to provide plan showing water (Restrooms, water fountains, janitorial closet with floor drain, sink and cabinet near restrooms, entrance door and other legal exit requirements.)

EXHIBIT B

**EXAMPLE ONLY DO NOT FILL OUT THIS TO BE USED
TO CONFIRM ACTUAL COMMENCEMENT DATE LATER**

LEASE COMMENCEMENT MEMORANDUM

LANDLORD:

TENANT:

PREMISES:

LEASE DATE:

The undersigned Tenant hereby certifies the following to Landlord:

1. That the undersigned Tenant occupies the above-described Premises.
2. That Landlord delivered possession of the Premises to the undersigned Tenant on _____, 20_____.
3. That the Lease Term commenced on _____, 20_____ and shall expire on _____, 20_____, subject to (_____) option(s) to renew the initial Term of the Lease for period(s) of _____ (_____) years each.
4. That the Base Rent of \$ _____ has been paid as the first month's rent.
5. That a security deposit of \$ _____ has been paid by Tenant to Landlord.
6. That as of the date hereof, the undersigned Tenant is entitled to no credit, offset or deduction in Base Rent or other rent.
7. That all construction to be performed by Landlord is complete and has been accepted by Tenant.
8. That the undersigned Tenant claims no right, title or interest in the above-described Premises, or right to the possession of said Premises other than under the terms of said Lease, and that there are no written or oral agreements affecting tenancy other than the Lease.
9. That Landlord is not in default or breach of any of Landlord's obligations under the Lease.

APPROVED BY LANDLORD:	TENANT:
By: _____	By: _____
Its: _____	Its: _____

EXHIBIT C

BUILDING RULES AND REGULATIONS

This Exhibit is attached to and made a part of the Lease Agreement by and between the Landlord and Tenant named therein for space in the Building located at the Premises described therein.

The following rules and regulations shall apply, where applicable, to the Premises, the Building, the parking facilities (if any), the Property and the appurtenances. In the event of a conflict between the following rules and regulations and the remainder of the terms of the Lease, the remainder of the terms of the Lease shall control. Capitalized terms have the same meaning as defined in the Lease.

1. Sidewalks, doorways, vestibules, halls, stairways and other similar areas shall not be obstructed by Tenant or used by Tenant for any purpose other than ingress and egress to and from the Premises. No rubbish, litter, trash, or material shall be placed, emptied, or thrown in those areas. At no time shall Tenant permit Tenant's employees to loiter in Common areas or elsewhere about the Building or Property, except in designated smoking areas.
2. Plumbing fixtures and appliances shall be used only for the purposes for which designed and no sweepings, rubbish, rags or other unsuitable material shall be thrown or placed in the fixtures or appliances.
3. No signs, advertisements or notices shall be painted or affixed to windows, doors or other parts of the Building, except those of such color, size, style and in such places as are first approved in writing by Landlord. All tenant identification and suite numbers at the entrance to the Premises shall be installed by Landlord, at Landlord's cost and expense, using the standard graphics for the Building. Except in connection with the hanging of lightweight pictures and wall decorations, no nails, hooks or screws shall be inserted into any part of the Premises or Building except by the maintenance personnel without Landlord's prior approval, which approval shall not be unreasonably withheld.
4. Landlord may provide and maintain in the first floor (main lobby) of the Building an alphabetical directory board or other directory device listing tenants and no other directory shall be permitted unless previously consented to by Landlord in writing.
5. Tenant shall not place any lock(s) on any door in the Premises or Building without Landlord's prior written consent, which consent shall not be unreasonably withheld, and Landlord shall have the right at all times to retain and use keys or other access codes or devices to all locks within and into the Premises. A reasonable number of keys to the locks on the entry doors in the Premises shall be furnished by Landlord to Tenant at Tenant's cost and Tenant shall not make any duplicate keys. All keys shall be returned to Landlord at the expiration or early termination of the Lease.
6. All contractors, contractor's representatives and installation technicians performing work in the Building shall be subject to Landlord's prior approval, which approval shall not be unreasonably withheld, and shall be required to comply with Landlord's standard rules, regulations, policies and procedures, which may be revised from time to time.
7. Movement in or out of the Building of furniture or office equipment, or dispatch or receipt by Tenant of merchandise or materials requiring the use of elevators, stairways, lobby areas or loading dock areas, shall be restricted to hours reasonably designated by Landlord. Tenant shall obtain Landlord's prior approval by providing a detailed listing of the activity, which approval shall not be unreasonably withheld. If approved by Landlord, the activity shall be under the supervision of Landlord and performed in the manner required by Landlord. Tenant shall assume all risk for damage to articles moved and injury to any persons resulting from

the activity. If equipment, property, or personnel of Landlord or of any other party is damaged or injured as a result of or in connection with the activity, Tenant shall be solely liable for any resulting damage, loss or injury.

8. Landlord shall have the right to approve the weight, size, or location of heavy equipment or articles in and about the Premises, which approval shall not be unreasonably withheld. Damage to the Building by the installation, maintenance, operation, existence or removal of Tenant's Property shall be repaired at Tenant's sole expense.

9. Corridor doors, when not in use, shall be kept closed.

10. Tenant shall not: (1) make or permit any improper, objectionable or unpleasant noises or odors in the Building, or otherwise interfere in any way with other tenants or persons having business with them; (2) solicit business or distribute or cause to be distributed, in any portion of the Building, handbills, promotional materials or other advertising; or (3) conduct or permit other activities in the Building that might, in Landlord's sole opinion, constitute a nuisance.

11. No animals, except those assisting handicapped persons, shall be brought into the Building or kept in or about the Premises.

12. No inflammable, explosive or dangerous fluids or substances shall be used or kept by Tenant in the Premises, Building or about the Property, except for those substances as are typically found in similar premises used for general office purposes and are being used by Tenant in a safe manner and in accordance with all applicable CC&Rs and Laws. Tenant shall not, without Landlord's prior written consent, use, store, install, spill, remove, release or dispose of, within or about the Premises or any other portion of the Property, any asbestos-containing materials or any solid, liquid or gaseous material now or subsequently considered toxic or hazardous under the provisions of 42 U.S.C. Section 9601 et seq. or any other applicable environmental Law which may now or later be in effect. Tenant shall comply with all CC&Rs and Laws pertaining to and governing the use of these materials by Tenant and shall remain solely liable for the costs of abatement and removal.

13. Tenant shall not use or occupy the Premises in any manner or for any purpose which might injure the reputation or impair the present or future value of the Premises, the Building or the Center. Tenant shall not use, or permit any part of the Premises to be used for lodging, sleeping or for any illegal purpose.

14. Tenant shall not take any action which would violate Landlord's labor contracts or which would cause a work stoppage, picketing, labor disruption or dispute or interfere with Landlord's or any other tenant's or occupant's business or with the rights and privileges of any person lawfully in the Building or Center ("**Labor Disruption**"). Tenant shall take the actions necessary to resolve the Labor Disruption, and shall pickets removed and, at request of Landlord, immediately terminate any work in the Premises that gave rise to the Labor Disruption, until Landlord gives its written consent for the work to resume. Tenant shall not have any claim for damages against Landlord or any of the Landlord Related Parties nor shall the Commencement Date of the Term be extended as a result of the above actions.

15. Tenant shall not install, operate or maintain in the Premises or in any other area of the Building, electrical equipment that would overload the electrical system beyond its capacity for proper, efficient and safe operation as determined solely by Landlord. Tenant shall not furnish cooling or heating to the Premises, including, without limitation, the use of electric or gas heating devices, without Landlord's prior written consent.

16. Tenant shall not operate or permit to be operated a coin or taken operated vending machine or similar device (including, without limitation, telephones, lockers, toilets, scales, amusement devices and machines for

sale of beverages, foods, candy, cigarettes and other goods), except for machines for the exclusive use of Tenant's employees and invitees.

17. Bicycles and other vehicles are not permitted inside the Building or on the walkways outside the Building, except in areas designated by Landlord. No overnight parking is permitted except as expressly permitted by Landlord.

18. Landlord may from time to time adopt systems and procedures for the security and safety of the Building and Property, its occupants, entry, use and contents. Tenant, its agents, employees, contractors, guests and invitees shall comply with Landlord's systems and procedures.

19. Landlord shall have the right to prohibit the use of the name of the Building/Center or any other publicity by Tenant that in Landlord's sole opinion may impair the reputation of the Building or its desirability. Upon written notice from Landlord, Tenant shall refrain from and discontinue such publicity immediately.

20. Neither Tenant nor its agents, employees, contractors, guests or invitees shall smoke or permit smoking in the Common Areas, unless a portion of the Common Areas have been declared a designated smoking area by Landlord, nor shall the above parties allow smoke from the Premises to emanate into the Common Areas or any other part of the Building. Landlord shall have the right to designate the Building (including the Premises) as a non-smoking building.

21. Landlord shall have the right to designate and approve standard window coverings for the Premises and to establish rules to assure that the Building presents a uniform exterior appearance. Tenant shall ensure, to the extent reasonably practicable, that window coverings are closed on windows in the Premises while they are exposed to the direct rays of the sun.

22. Deliveries to and from the Premises shall be made only at the times in the areas and through the entrances and exits reasonably designated by Landlord. Tenant shall not make deliveries to or from the Premises in a manner that might interfere with the use by any other tenant of its premises or of the Common Areas, any pedestrian use, or any use which is inconsistent with good business practice.

23. The work of cleaning personnel (engaged by other tenants or by Landlord if required under the Lease) shall not be hindered by Tenant after 5:30 P.M., and cleaning work may be done at any time when the offices are vacant. Windows, doors and fixtures may be cleaned at any time. Tenant shall provide adequate waste and rubbish receptacles to prevent unreasonable hardship to the cleaning service.

EXHIBIT D

ADDITIONAL PROVISIONS

This Exhibit "D" is attached to and made a part of the Lease Agreement by and between the Landlord and Tenant named therein for space in the Building located at the Premises described therein.

The following provisions ("**Additional Provisions**") are hereby incorporated into the Lease Agreement.

NOTE TO EVERYONE ANY SPECIAL TERMS CAN BE ADDED HERE

ADDITIONAL PARAGRAPH AS FOLLOWS:

1. Tenant to have the right to install temporary signs (Banners) at Tenant's sole cost??
2. Tenant shall have the right to install a building sign provided the Tenant obtains approval from the EDH Business Park and El Dorado County for location and design. Signage to be removed at the end of the lease and the building repaired.
3. other ??
4. other ?

In the event of any inconsistency or conflict between the terms and provisions of these Additional Provisions and/or the terms and provisions of the Lease Agreement, the terms and provisions of these Additional Provisions shall prevail.

EXHIBIT E

TENANT IMPROVEMENTS EXHIBIT

**NOTE WE WILL NEED TO BE SURE THE LANDLORD'S TI WORK IS IDENTIFIED
HERE AND IT SHOULD STATE IF IT IS PART OF THE LANDLORD OBLIGATION THAT
IS COVERED IN THE RENT OR PAID SEPARATELY BY TENANT**

This Exhibit is attached to and made a part of the Lease Agreement by and between the Landlord and Tenant named therein for space in the Building located at the Premises described therein.

Subject to the TI Allowance of \$XX/SF to be provided by the Landlord, Landlord shall provide the following improvements:

Commented [MJ3]: Awaiting final amount

1. Lights installed by Landlord wired to meter(s) for each of the two Premises.
2. Flooring in Premises to be plank flooring and approved by both Landlord and tenant
3. Restroom to be tile.
4. Door sign by Tenant (Painted and subject to EDH Business park and EDH Criteria)
5. Building sign by Tenant location to be approved by Landlord and county and EDH Owners Assn architect review.
6. All walls painted an off white.
7. Building standard window coverings.
8. Ceiling to be "Open ceiling concept" and painted above the rafters a black.
9. Rafters to be (painted to left in current condition)

EXHIBIT G
OPERATING EXPENSES

This Exhibit is attached to and made a part of the Lease Agreement by and between the Landlord and Tenant named therein for space in the Building located at the Premises described therein.

1. Payments.

1.01 [Check applicable box.] Tenant shall pay Tenant's Pro Rata share of the following applicable expenses (collectively and/or separately, the "**Applicable Expenses**"): the amount, if any, by which Operating Expenses (defined below) for each calendar year during the Term exceed Operating Expenses for the Base Year, the amount, if any, by which Insurance Costs (defined below) for each calendar year during the Term exceed Insurance Costs for the Base Year, and the amount, if any, by which Taxes (defined below) for each calendar year during the Term exceed Taxes for the Base Year (collectively and/or separately, the "**Expense Excess**"). If the Applicable Expenses in any calendar year decrease below the amount of the Applicable Expenses for the Base Year, Tenant's Pro Rata Share of the Applicable Expenses, as the case may be, for that calendar year shall be \$0.00. Landlord shall provide Tenant with a good faith estimate of the Expense Excess for each calendar year during the Term. On or before the first day of each month, Tenant shall pay to Landlord a monthly installment equal to one-twelfth of Tenant's Pro Rata Share of Landlord's estimate of the Expense Excess. After its receipt of the revised estimate, Tenant's monthly payments shall be based upon the revised estimate. If Landlord does not provide Tenant with an estimate of the Expense Excess by January 1 of a calendar year, Tenant shall continue to pay monthly installments based on the previous year's estimate(s) until Landlord provides tenant with the new estimate.

1.02 As soon as is practical following the end of each calendar year, Landlord shall furnish Tenant with a statement of the actual Applicable and Expense Excess for the prior calendar year. If the estimated Expense Excess for the calendar year is more than the actual Expense Excess for the prior calendar year, Landlord shall either provide Tenant with a refund or apply any overpayment by Tenant against Additional Rent due or next becoming due, provided if the Term expires before the determination of the overpayment, Landlord shall refund any overpayment to Tenant after first deducting the amount of Rent due. If the estimated Expense Excess for the prior calendar year is less than the actual Expense Excess for such prior year, Tenant shall pay Landlord, within thirty (30) days after its receipt of the statement of the Applicable Expenses, any underpayment for the prior calendar year.

2. Operating Expenses.

2.01 "**Operating Expenses**" means all costs and expenses incurred in each calendar year in connection with operating, maintaining, cleaning, repairing, and managing the Building and the Property. Expenses include, without limitation: (a) all labor and labor related costs, including wages, salaries, bonuses, taxes, insurance, uniforms, training, retirement plans, pension plans and other employee benefits; (b) management fees; (c) the cost of equipping, staffing and operating an on-site and/or off-site management office for the Building, provided if the management office services one or more other buildings or properties, the shared costs and expenses of equipping, staffing and operating such management office(s) shall be equitably prorated and apportioned between the Building and the other buildings or properties; (d) accounting costs; (e) the cost of services; (f) rental and purchase cost of parts, supplies, tools and equipment; (g) common area electricity, gas and other utility costs; and (h) the amortized cost of capital improvements (as distinguished from replacement parts or components installed in the ordinary course of business) made subsequent to the Base Year which are: (1) performed primarily to reduce current or future Operating Expenses costs, upgrade Building security or otherwise improve the operating efficiency of the Property; or (2) required to comply with any CC&Rs and Laws that are enacted, or first interpreted to apply to the Property, after the date of this Lease. The cost of any

repair or replacement which would be required to be capitalized under generally accepted accounting principles (GAAP) shall be performed by Landlord and the cost thereof shall be amortized in accordance with GAAP over the useful life of the capital improvement as determined by guidelines issued by the Internal Revenue Service. The amortized cost of the capital improvement may, at Landlord's option, include actual or imputed interest at the rate that Landlord would reasonably be required to pay to finance the cost of the capital improvement. Landlord, by itself or through an affiliate, shall have the right to directly perform, provide and be compensated for any services under this Lease. If Landlord incurs Operating Expenses for the Building or Property together with one or more other buildings or properties, whether pursuant to a reciprocal easement agreement, common area agreement or otherwise, the shared costs and expenses shall be equitably prorated and apportioned between the Building and Property and the other buildings or properties.

2.02 Operating Expenses shall not include: Assessments on the Building and/or Property; the cost of capital improvements (except as set forth above); depreciation; principal payments of mortgage and other non-operating debts of Landlord; the cost of repairs or other work to the extent Landlord is reimbursed by insurance or condemnation proceeds; costs in connection with leasing space in the Building, including brokerage commissions; lease concessions, rental abatements and construction allowances granted to specific tenants; costs incurred in connection with the sale, financing or refinancing of the Building; fines, interest and penalties incurred due to the late payment of Operating Expenses; organizational expenses associated with the creation and operation of the entity which constitutes Landlord; or any penalties or damages that Landlord pays to Tenant under this Lease or to other tenants in the Building under their respective leases.

2.03 If at any time during a calendar year the Building is not at least 95% occupied or Landlord is not supplying services to at least 95% of the total Rentable Square Footage of the Building, Operating Expenses shall, at Landlord's option, be determined as if the Building had been 95% occupied and Landlord had been supplying services to 95% of the Rentable Square Footage of the Building. If Operating Expenses for a calendar year are determined as provided in the prior sentence, Operating Expenses for the Base Year shall also be determined in such manner.

3. **"Insurance Costs"** shall mean the cost of all insurance policies maintained by Landlord in connection with Landlord's ownership of the Property, including without limitation, (a) policy or policies of insurance covering loss or damage to the Premises, in the amount of no less than ninety percent (90%) of the replacement value thereof, as the same may exist from time to time against all perils included within the classification of special form coverage (formerly known as all risk insurance) with extended coverage insurance, including vandalism, malicious mischief, sprinkler leakage and earthquake coverage (or a separate earthquake insurance policy, if required by Lender); (b) liability insurance with coverage amounts as reasonably determined by Landlord, in addition to and not in lieu of, the insurance required to be maintained by Tenant, with Tenant not being named as an additional insured therein; and (c) a policy of rental income insurance covering a period of one (1) year, with loss payable to Landlord, which insurance shall also cover all Operating Expenses, Taxes and Insurance Costs (as defined below) for said period but not in duplication of any insurance required to be maintained by Tenant. All such insurance shall have deductibles in the amounts not less than \$5,000.00.

4. **"Taxes"** shall mean; (a) all real property taxes and other assessments on the Building and/or Property, including, but not limited to, gross receipts taxes, assessments for special improvement districts and building improvement districts, governmental charges, fees and assessments for police, fire, traffic mitigation or other governmental service of purported benefit to the Property, taxes and assessments levied in substitution or supplementation in whole or in part of any such taxes and assessments and the Property's share of any real estate taxes and assessments under any reciprocal easement agreement, common area agreement or similar agreement as to the Property; (b) all personal property taxes for property that is owned by Landlord and used in connection with the operation, maintenance and repair of the Property; and (c) all costs and fees incurred in connection with seeking reductions in any tax liabilities described in (a) and (b), including, without limitation, any reasonable costs incurred by Landlord for compliance, review and appeal of tax liabilities. Without

limitation, Taxes shall not include any income, capital levy, transfer, capital stock, gift, estate or inheritance tax. If a change in Taxes is obtained for any year of the Term during which Tenant paid Tenant's Pro Rata Share of any Tax Excess, then Taxes for that year will be retroactively adjusted and Landlord shall provide Tenant with a credit, if any, based on the adjustment. Likewise, if a change is obtained for Taxes for the Base Year, Taxes for the Base Year shall be restated and the Tax Excess for all subsequent years shall be recomputed. Tenant shall pay Landlord the amount of Tenant's Pro Rata Share of any such increase in the Tax Excess within thirty (30) days after Tenant's receipt of a statement from Landlord. The term "Taxes" shall also include any tax, fee, levy, assessment or charge, or any increase therein, imposed by reason of events occurring, or changes in Applicable Law taking effect, during the term of this Lease, including but not limited to a change in the ownership of the Property or in the improvements thereon, but excluding therefrom any change as a result on any refinancing by Landlord.

5. **Audit Rights.** Tenant, within six (6) months after receiving Landlord's statement of the Applicable Expenses, may give Landlord written notice ("**Review Notice**") that Tenant intends to review Landlord's records of the Applicable Expenses for the calendar year to which the statement applies. Within a reasonable time after receipt of the Review Notice, Landlord shall make all pertinent records available for inspection that are reasonably necessary for Tenant to conduct its review. If any records are maintained at a location other than the management office for the Building, Tenant may either inspect the records at such other location or pay for the reasonable cost of copying and shipping the records. If Tenant retains an agent to review Landlord's records, the agent must be a CPA firm licensed to do business in the state where the Property is located. Tenant shall be solely responsible for all costs, expenses and fees incurred for the audit. Within thirty (30) days after the records are made available to Tenant, Tenant shall have the right to give Landlord written notice (an "**Objection Notice**") stating in reasonable detail any objection to Landlord's statement of the Applicable Expenses for that year. If Tenant fails to give Landlord an Objection Notice within the thirty (30) day period described above, Tenant shall be deemed to have approved Landlord's statement of the Applicable Expenses and shall be barred from raising any claims regarding the Applicable Expenses for that year. If Tenant provides Landlord with a timely Objection Notice, Landlord and Tenant shall work together in good faith to resolve any issues raised in Tenant's Objection Notice. If Landlord and Tenant determine that the Applicable Expenses for the calendar year are less than reported, Landlord shall provide Tenant with a credit against the next installment of Rent in the amount of the overpayment by Tenant. Likewise, if Landlord and Tenant determine that the Applicable Expenses for the calendar year are greater than reported, Tenant shall pay Landlord the amount of any underpayment within thirty (30) days. The record obtained by Tenant shall be treated as confidential. In no event shall Tenant be permitted to examine Landlord's records or to dispute any statement of the Applicable Expenses unless Tenant has paid and continues to pay all Rent when due.

This Disclosure form shall be acknowledged by Seller/Buyer and the Real Estate Agents prior to or coincident with the execution of a Contract by the Seller and the Buyer, respectively. As used herein, "Seller" includes both a vendor and a lessor/landlord, and "Buyer" includes both vendee or lessee/tenant if the transaction pertains to (i) mobilehomes, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code, and/or (ii) any leasehold exceeding one year's duration, respectively.

DISCLOSURE OF AGENTS' RELATIONSHIP

As required by subdivisions (a) and (b) of California Civil Code § 2079.17, the following is hereby confirmed:

(Matt Cobabe) is the agent of (check one):
[Name of Listing Agent]

Seller exclusively; or
 both Buyer and Seller

Bob Kuhl of KW Commercial is the agent of (check one):
[Name of Selling Agent if not the same as Listing Agent]

Buyer exclusively; or
 Seller exclusively; or
 both Buyer and Seller

DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(As required by the Civil Code)

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction.

SELLER'S AGENT:

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations:

To the Seller: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Seller.

To the Buyer and the Seller: (a) diligent exercise of reasonable skill and care in performance of the agent's duties; (b) a duty of honest and fair dealing and good faith; (c) a duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

BUYER'S AGENT:

A selling agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Buyer: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Buyer.

To the Buyer and the Seller: (a) diligent exercise of reasonable skill and care in performance of the agent's duties; (b) a duty of honest and fair dealing and good faith; (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent

This Disclosure form shall be acknowledged by Seller/Buyer and the Real Estate Agents prior to or coincident with the execution of a Contract by the Seller and the Buyer, respectively. As used herein, "Seller" includes both a vendor and a lessor/landlord, and "Buyer" includes both vendee or lessee/tenant if the transaction pertains to (i) mobilehomes, when offered for sale or sold through an agent pursuant to the authority contained in Section [10131.6](#) of the Business and Professions Code, and/or (ii) any leasehold exceeding one year's duration, respectively.

attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER:

A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer. In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer: (a) a fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer; (b) other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered.

The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction.

This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on the reverse hereof (or the pages following this page). Read it carefully.

_____		_____	
(Bob Kuhl signature)	(Date)	(Landlord signature)	(Date)
_____		_____	
(Tenant Signature)	(Date)	(Tenant signature)	(Date)
_____		_____	
(Tenant signature)	(Date)		

CC§2079.13. As used in Sections 2079.14 to 2079.24, inclusive, the following terms have the following meanings:

(a) "Agent" means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained.

(b) "Associate licensee" means a person who is licensed as a real estate broker or salesperson under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code and who is either licensed under a broker or has entered into a written contract with a broker to act as the broker's agent in connection with acts requiring a real estate license and to function under the broker's supervision in the capacity of an associate licensee. The agent in the real property transaction bears responsibility for his or her associate licensees who perform as agents of the agent. When an associate licensee owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the associate licensee functions.

(c) "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee.

(d) "Commercial real property" means all real property in the state, except single-family residential real property, dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, mobilehomes, as defined in Section 798.3, or recreational vehicles, as defined in Section 799.29.

(e) "Dual agent" means an agent acting, either directly or through an associate licensee, as agent for both the seller and the buyer in a real property transaction.

(f) "Listing agreement" means a contract between an owner of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer.

(g) "Listing agent" means a person who has obtained a listing of real property to act as an agent for compensation.

(h) "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the listing agent.

(i) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property.

(j) "Offer to purchase" means a written contract executed by a buyer acting through a selling agent that becomes the contract for the sale of the real property upon acceptance by the seller.

(k) "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property that constitutes or is improved with one to four dwelling units, any commercial real property, any leasehold in these types of property exceeding one year's duration, and mobile homes, when offered for sale or sold through an agent pursuant to the authority contained in Section [10131.6](#) of the Business and Professions Code.

(l) "Real property transaction" means a transaction for the sale of real property in which an agent is employed by one or more of the principals to act in that transaction, and includes a listing or an offer to purchase.

(m) "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer, and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration.

(n) "Seller" means the transferor in a real property transaction, and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor.

(o) "Selling agent" means a listing agent who acts alone, or an agent who acts in cooperation with a listing agent, and who sells or finds and obtains a buyer for the real property, or an agent who locates property for a buyer or who finds a buyer for a property for which no listing exists and presents an offer to purchase to the seller.

(p) "Subagent" means a person to whom an agent delegates agency powers as provided in Article 5 (commencing with Section 2349) of Chapter 1 of Title 9. However, "subagent" does not include an associate licensee who is acting under the supervision of an agent in a real property transaction.

CC§2079.14. Listing agents and selling agents shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and, except as provided in subdivision (c), shall obtain a signed acknowledgment of receipt from that seller or buyer, except as provided in this section or Section 2079.15, as follows:

(a) The listing agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement.

(b) The selling agent shall provide the disclosure form to the seller as soon as practicable prior to presenting the seller with an offer to purchase, unless the selling agent

previously provided the seller with a copy of the disclosure form pursuant to subdivision (a).

(c) Where the selling agent does not deal on a face-to-face basis with the seller, the disclosure form prepared by the selling agent may be furnished to the seller (and acknowledgment of receipt obtained for the selling agent from the seller) by the listing agent, or the selling agent may deliver the disclosure form by certified mail addressed to the seller at his or her last known address, in which case no signed acknowledgment of receipt is required.

(d) The selling agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase, except that if the offer to purchase is not prepared by the selling agent, the selling agent shall present the disclosure form to the buyer not later than the next business day after the selling agent receives the offer to purchase from the buyer.

CC§2079.15. In any circumstance in which the seller or buyer refuses to sign an acknowledgment of receipt pursuant to Section 2079.14, the agent, or an associate licensee acting for an agent, shall set forth, sign, and date a written declaration of the facts of the refusal.

CC§2079.17.

(a) As soon as practicable, the selling agent shall disclose to the buyer and seller whether the selling agent is acting in the real property transaction exclusively as the buyer's agent, exclusively as the seller's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the selling agent prior to or coincident with execution of that contract by the buyer and the seller, respectively.

(b) As soon as practicable, the listing agent shall disclose to the seller whether the listing agent is acting in the real property transaction exclusively as the seller's agent, or as a dual agent representing both the buyer and seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller and the listing agent prior to or coincident with the execution of that contract by the seller.

(c) The confirmation required by subdivisions (a) and (b) shall be in the following form:

Matt Cobabe is the agent of (check one):
(Name of Listing Agent) the seller exclusively; or both the buyer and seller.

Bob Kuhl of KW Commercial (Name of Selling Agent if not the same as the Listing Agent) is the agent of (check one):

the buyer exclusively; or the seller exclusively; or both the buyer and seller.

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14.

CC§2079.18. No selling agent in a real property transaction may act as an agent for the buyer only, when the selling agent is also acting as the listing agent in the transaction.

CC§2079.19. The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship.

CC§2079.20. Nothing in this article prevents an agent from selecting, as a condition of the agent's employment, a specific form of agency relationship not specifically prohibited by this article if the requirements of Section 2079.14 and Section 2079.17 are complied with.

CC§2079.21. A dual agent shall not disclose to the buyer that the seller is willing to sell the property at a price less than the listing price, without the express written consent of the seller. A dual agent shall not disclose to the seller that the buyer is willing to pay a price greater than the offering price, without the express written consent of the buyer.

CC§2079.22. Nothing in this article precludes a listing agent from also being a selling agent, and the combination of these functions in one agent does not, of itself, make that agent a dual agent.

CC§2079.23.

(a) A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship.

(b) A lender or an auction company retained by a lender to control aspects of a transaction of real property subject to this part, including validating the sales price, shall not require, as a condition of receiving the lender's approval of the transaction, the homeowner or listing agent to defend or indemnify the lender or auction company from any liability alleged to result from the actions of the lender or auction company. Any clause, provision, covenant, or agreement purporting to impose an obligation to defend or indemnify a lender or an auction

company in violation of this subdivision is against public policy, void, and unenforceable.

CC§2079.24. Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents,

and employees or to relieve agents and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.

