

**LETTER OF AGREEMENT BETWEEN CITY OF CHICO AND PUBLIC SAFETY
MANAGEMENT REGARDING AMENDMENT HOLIDAY PAY FOR ACTIVE FIRE CHIEF
OFFICERS.**

Pursuant to Subarticle 1.5, entitled "Letter Agreement for Variation of Provision" of the "Resolution Providing for Pay, Benefits and Other Terms and Condition of Employment for Public Safety Management Positions (2014 Public Safety Management Employees Pay and Benefits Resolution)," the City of Chico (City) and Public Safety Management (PSM) enter into this Letter agreement to modify Article 4.1.E, entitled "Holiday Pay for Active Fire Chief Officers."

Therefore, the City and PSM agree as follows:

1. Effective March 22, 2015, Article 4.1.E, entitled "Holiday Pay for Active Fire Chief Officers," shall be added as follows:

E. Holiday Pay for Active Fire Division Chief Officers. In recognition that on each holiday, one chief shall be assigned to 24-hour "duty" coverage, all active Division Chiefs shall receive On-Duty holiday pay at their regular hourly rate each bi-weekly pay period. The formula for holiday pay calculation shall be 11 holidays x 24 hours, divided by the number of active Division Chief Officers, divided by 26 pay periods.

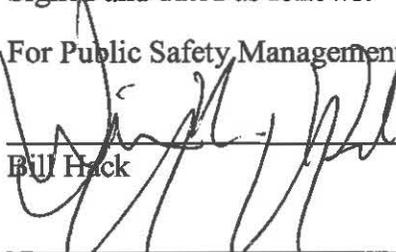
2. Any amendments or modifications to this Letter Agreement shall be in writing, signed and dated by both parties.

3. This Letter Agreement is effective March 22, 2014 through December 31, 2016.

4. All other terms, conditions, provisions and requirements of the Resolution shall remain in full force and effect.

Signed and dated as follows:

For Public Safety Management:



Bill Hack
4/9/15
(Date)



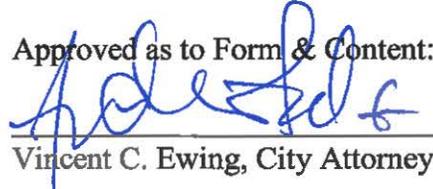
Michael O'Brien
4-14-15
(Date)

For City of Chico:



Mark Orme, City Manager
4/17/15
(Date)

Approved as to Form & Content:



Vincent C. Ewing, City Attorney