

LETTER AGREEMENT

LETTER AGREEMENT BETWEEN CITY OF CHICO AND THE UNITED PUBLIC EMPLOYEES OF CALIFORNIA, LOCAL 792, REGARDING CONSTRUCTIVE RECEIPT

Pursuant to Subarticle 1.6, entitled "Letter Agreement for Variation of Provisions" of the Memorandum of Understanding between the City of Chico and Chico Employees Association Regarding Pay, Hours and Other Terms and Conditions of Employment for the Period of January 1, 2019 through December 31, 2021 (2019 CEA MOU)," the City of Chico (City) and United Public Employees of California, Local 792 (Formerly: Chico Employees Association) enter into this Letter Agreement regarding the doctrine of Constructive Receipt.

Therefore, the City and UPEC agree, that section 5.2.F be amended as follows:

F. CTO in Lieu of Overtime Payment. Employees working overtime may accrue CTO in lieu of overtime payment, and may utilize such CTO, in accordance with the following conditions and provisions:

1. Accrual. CTO shall be accrued at the rate of one and one-half hours for each hour of overtime worked. The maximum amount of CTO that may be accrued and utilized at any time shall be limited to eighty (80) hours. Employees may choose to leave CTO in place into the following calendar year.

2. Utilization. CTO shall be utilized on a straight-time basis. Approval for use of CTO shall be given by Employee's Department Head, or Department Head's designee, subject to the same restrictions and conditions which exist on the scheduling of vacation.

3. Payment for Unused CTO. By December 15th of each year, employees may request payment for part or all of unused CTO accrued in the following year. When requested, such payment shall be made on the Employee's first paycheck in December of the following Calendar year. In the first full pay period of the calendar year, Employees may request payment for part or all of unused CTO. When requested, such payment shall be made prior to the end of January. ~~When requested, such payment shall be made prior to the end of January.~~ Payment for such hours will be made at the regular rate of pay, as defined by FLSA, which is effective at the time of the payout.

If an employee promotes to a FLSA exempt position, all CTO hours shall be paid out on the last paycheck of the employee's non-exempt assignment. Further, in the event an employee transfers to a different bargaining unit, all CTO hours in excess of the new unit's accrual limit shall be paid out on the last paycheck of the employee's current bargaining group assignment.

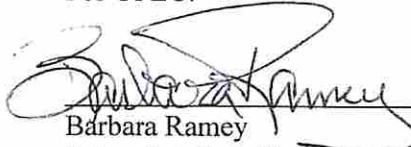
4. City Manager Authority. Notwithstanding anything above to the contrary, the City Manager shall have the authority to determine and order that CTO be paid or taken as time off.

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

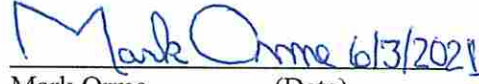
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Signed and dated as follows:


For UPEC:

 5/25/21
Barbara Ramey (Date)
Labor Relations Representative

For the City of Chico:

 6/3/2021
Mark Orme (Date)
City Manager

Approved as to Form:


Vincent C. Ewing, City Attorney*

*Pursuant to the Charter of the City of
Chico, Section 906 (D)