




City Clerk's Office
Telephone 909-931-4120
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MEMORANDUM

TO: Terry Doyle, Deputy Director of Human Resources/Risk Management
FROM: Keri Johnson, City Clerk 
DATE: February 27, 2024
RE: City Council Action - Approval of Side Letter Agreements

On February 26, 2024 the City Council approved the side letter agreement between the City and the Upland City Employees Association for revisions to the uniform allowance article. A copy of the executed agreement is enclosed for your records.

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**SIDE LETTER AGREEMENT
TO THE MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF UPLAND AND THE UPLAND CITY EMPLOYEES ASSOCIATION**

January 29, 2024

WHEREAS the City of Upland ("City") and the Upland City Employees Association ("Association") have entered into a Memorandum of Understanding (MOU) covering the period of July 1, 2023 through June 30, 2028.

WHEREAS the MOU provides that there shall be no changes in wages, hours and working conditions during its term without the mutual consent of the parties.

WHEREAS the Parties have informally met, discussed, and agreed to the use of temporary maintenance workers and equipment mechanics when staffing levels are low.


NOW, THEREFORE, THE PARTIES do hereby agree as follows:

1. This side letter shall amend the wages, hours and other terms and conditions of employment set forth in the current MOU between the parties only to the extent specifically set forth herein. All other wages, hours and other terms and conditions of employment shall remain in full force and effect, and unaffected by this Agreement, unless specifically modified in a subsequent written Agreement by the parties.
2. Article 30 – Uniforms allows for listed classifications to receive an allowance of four hundred dollars (\$400) annually on the first pay period in December. In addition, it allows for the classifications of Business License Inspector and Building Inspector I/II receive uniform allowance of two hundred dollars (\$200) annually after completion of twelve (12) months of employment.
3. CalPERS Special Compensation Circular Letter: 200-050-019 (attached) outlines the reporting standards for pensionable compensation for employees receiving uniform allowance. There are two ways that compensation pertaining to uniform allowance can be reported to CalPERS and the City has elected to report it by the aggregate amount for each pay period within the earned period report. The City and UCEA have had discussions regarding this reporting method and are in agreement to report the uniform allowance in this manner.
4. Effective upon ratification by the Board of the Association and adoption by the City Council the City shall pay the Uniform Allowance to the classifications listed in Article 30 as follows:
 - a. For classifications receiving the amount of two hundred dollars (\$200) they will receive \$7.69 per pay period for 26 pay periods.
 - b. For classifications receiving the amount of four hundred dollars (\$400) they will receive \$15.38 per pay period for 26 pay periods.
 - c. The City will also remove the twelve (12) month waiting period for the classifications of Business License Inspector, Building Inspector I/II, and Senior Building Inspector to receive uniform allowance.

- d. The City and UCEA have agreed that the classification of Police Dispatcher I/II will no longer be required to wear a uniform but will be required to maintain one (1) uniform for formal occasions such as funerals or awards ceremonies or other events the Police Chief deems appropriate. Employees in this classification will no longer receive the uniform allowance, but in the event the Police Chief should in the future require employees to wear uniforms daily they will begin to receive the uniform allowance effective the date of the direction of the Police Chief.
 - e. The following classifications were inadvertently omitted from the list of approved classifications in the MOU for uniform allowance and will also receive payment effective immediately:
 - i. Senior Business License Inspector (\$200)
 - ii. Park Ranger (\$400)
 - iii. Police Civilian Investigator (\$400)
 - iv. Crime Prevention-Community Outreach Specialist (\$400)
5. This Agreement represents all terms negotiated and agreed upon by the Parties related to the payment of uniform allowance. All parties understand and acknowledge that there are no other agreements between them (oral, implied, or written), other than as written here or as contained in the continuing terms and conditions of their employment set forth in the MOU between UCEA and the City.
6. Upon renewal of the MOU between the parties, this language shall become part of the MOU.

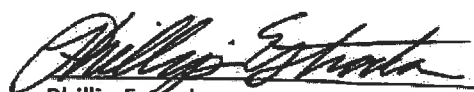
CITY OF UPLAND

Dated: 2-12-27


 By: Michael Blay
 City Manager
 City of Upland

UPLAND CITY EMPLOYEES ASSOCIATION

Dated: _____


 By: Phillip Estrada
 President, UCEA


 By: Terry Doyle
 Deputy Director of Human Resources/Risk Management
 City of Upland



California Public Employees' Retirement System
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www.calpers.ca.gov

Special Compensation Circular Letter

October 30, 2019

Circular Letter: 200-050-19

Distribution: IV, V, VI, X, XII, XVI

To: All CalPERS Employers
Subject: Uniform Allowance – Reportable and Nonreportable Components

Purpose

The purpose of this Circular Letter is to inform CalPERS contracting employers on a form of special compensation, the uniform allowance, reportable to CalPERS pursuant to Government (Gov.) Code section 20636 and 20636.1, and section 571 the California Code of Regulations (CCR) (Uniform Allowance), which pertains only to classic CalPERS members. This Circular Letter supersedes and replaces Circular Letter No. 200-045-02, dated July 9, 2002.

Definition of Uniform Allowance

Uniform allowance is defined in subdivision (a)(5) of CCR section 571 as the following:

“Uniform Allowance – Compensation paid or the monetary value for the purchase, rental and/or maintenance of required clothing, including clothing made from specially designed protective fabrics, which is a ready substitute for personal attire the employee would otherwise have to acquire and maintain. This excludes items that are solely for personal health and safety such as protective vests, pistols, bullets, and safety shoes.”

Reportable Uniform Allowance Items

Compensation paid or the monetary value for the purchase, rental and/or maintenance of required clothing, which is a ready substitute for personal attire the employee would otherwise have to acquire and maintain, is reportable to CalPERS as a uniform allowance, under the designation of statutory item as special compensation.

The uniform allowance is reportable even if the required clothing is made from specially designed protective fabrics, such as arc-resistant material and antibacterial fabric, if the required clothing is a ready substitute for personal attire the employee would otherwise have to acquire and maintain. Additionally, the uniform allowance is reportable even if the required clothing includes other specific features (such as a color) to serve a personal health and safety purpose, as long as the required clothing is a ready substitute for personal attire the employee would otherwise have to acquire and maintain. In other words, even if required clothing serves a personal health and safety purpose, it may also be a ready substitute for personal attire under subdivision (a)(5) of CCR section 571, such that compensation paid, or the monetary value for the purchase, rental and/or maintenance of the clothing, is reportable.

Note that identifying required clothing items as “safety” items in a written labor agreement or policy is not determinative of whether the compensation paid or the monetary value for the purchase, rental and/or maintenance of the clothing item is or is not a uniform allowance that must be reported to CalPERS. In addition, failure to include reportable uniform allowance in a written labor policy or agreement is not a valid basis for excluding reporting of this compensation to CalPERS. If reportable uniform allowance should be reported, the agency should revise the written labor policy or agreement to include uniform allowance as a reportable item of compensation.

Below are examples of items employers may require employees to wear and that CalPERS generally would deem ready substitutes for personal attire the employee would otherwise have to acquire and maintain, even if they are made from specially designed protective fabrics and even if they have other features that serve a personal health and safety purpose. However, these are simply examples, and CalPERS’ actual determinations are completed on a case-by-case basis.

- Common items for uniform allowance:
 - Dress shoes
 - Pants
 - Polo shirts
 - Slacks
 - Socks

Nonreportable Items

Compensation paid, or the monetary value for the purchase, rental and/or maintenance of required clothing, that are not ready substitutes for personal attire are not reportable to CalPERS as uniform allowance.

Below are some examples of items that CalPERS generally would not deem ready substitutes for personal attire the employee would otherwise have to acquire and maintain.

- Note that these are simply examples and that CalPERS' actual determinations are completed on a case-by-case basis:
 - Ammunition
 - Aprons
 - Ballistic vests
 - Batons
 - Citation booklets
 - Coveralls
 - Duty belts
 - Fire extinguishers
 - Firearms
 - Firearm accessories
 - Flashlights
 - Foul weather apparel
 - Goggles
 - Hand axes
 - Handcuffs
 - Helmets
 - Holsters
 - Lab coats
 - Knives
 - Motor breeches
 - Narcotic kits
 - Safety harness
 - Self-contained breathing apparatus
 - Shop coats
 - Steel toe boots
 - Turnout gear
 - Window punches
 - Whistles
- Miscellaneous items, defined as permanently attached to, and/or associated with, safety uniform items:
 - Badges
 - Batteries
 - Buttons
 - Chevrons
 - Embroidery
 - Ensigns
 - Epaulets
 - Insignias: brass, collar, or rank
 - Labor for affixing patches
 - Laces
 - Metal bars
 - Patches
 - Shoe polish
 - Shoulder braids
 - Tie bars
 - Zippers

Uniform Allowance and New Members Under the Public Employees' Pension Reform Act of 2013 (PEPRA)

Pensionable compensation is applicable to new members under PEPRA. Pursuant to subdivision (c)(7) of Gov. Code section 7522.34, all employer-provided allowances, reimbursements, or payments made for uniforms are **not** reportable for new members under PEPRA.

Reporting Standards

Compensation pertaining to uniform allowance can be reported through my|CalPERS two ways:

1. The aggregate amount for each pay period can be reported within the earned period report.
2. A Retroactive Special Compensation Adjustment can be reported which includes a payroll record start and end date that matches the effective start and end date of the uniform allowance for each fiscal year.

Example: An annual uniform allowance item that has an effective date of the 2019 fiscal year would have a start date of July 1, 2019, and an end date of June 30, 2020.

Questions

It's the contracting employer's responsibility to comply with all terms and conditions set forth in the contract with CalPERS and to ensure their data and reportable information is compliant with the Public Employees' Retirement Law (PERL) and CCR. CalPERS employers may contact us at **888 CalPERS** (or **888-225-7377**) or via email at MOU_Review@Calpers.ca.gov with specific questions.

Renee Ostrander, Chief
Employer Account Management Division