Exhibit 1

Letter of Agreement
Between
The City of Alameda
And
Alameda Police Officers' Association (APOA)
Regarding MOU Section 11.10 Retention Pay and Section 16 Holidays

Subject to approval by the authorized representatives of the City of Alameda (the City) and the Alameda Police Officers' Association ("APOA") (collectively, "Parties"), this letter of agreement clarifies specific provisions of the July 1, 2025 to June 30, 2027 Memorandum of Understanding between the Parties ("MOU") to comply with the Public Employees' Retirement Law, and other applicable statutes and regulations, for use in the calculation of pension benefits through the California Public Employees' Retirement System.

Section 1. Subsection 11.10 (Retention Pay) of Section 11 (Overtime, Call Back, Acting Pay, Training, Stand-by) is revised in its entirety to incorporate clarifications as follows:

"11.10   Retention Pay

Effective July 1, 2022, all APOA members shall be eligible to receive retention pay upon the satisfactory completion of five (5), ten (10), fifteen (15), or twenty (20) years of continuous service with the Alameda Police Department, as described below. Percentages shall be compounded for the 15- and 20-year retention levels as described herein.

(a) Upon the satisfactory completion of five (5) years of continuous service with the Alameda Police Department, the employee shall be paid an additional one-half percent (1.5%) calculated on their base annual salary, using the hourly equivalent of base annual salary, plus 6.92% Holiday Pay.

The formula shall be illustrated as follows to be followed by an example for clarity:
   (1). Total 5 Year Retention = [Base Pay + (Base Pay x 6.92% Holiday Pay)] x 1.5%
   (2). Example based on $10/hr base pay:
      i. [$10/hr + ($10/hr x .0692)] x 0.015 = $0.1604
      ii. Total: $0.1604/hr

(b) Upon the satisfactory completion of ten (10) years of continuous service with the Alameda Police Department, the employee shall be paid three percent (3%) calculated on their base annual salary, using the hourly equivalent of base annual salary, plus 6.92% Holiday Pay.

The formula shall be illustrated as follows to be followed by an example for clarity:

Exhibit 1

    (1). Total 10 Year Retention = [Base Pay + (Base Pay x 6.92% Holiday Pay)] x 3%

    (2). Example based on $10/hr base pay:
   - i. [$10/hr + ($10/hr x .0692)] x 0.03 = $0.3208
   - ii. Total: $0.3208/hr

(c) Upon the satisfactory completion of fifteen (15) years of continuous service with the Alameda Police Department, the employee receives retention pay in addition to base salary equal to: (i) four percent (4.0%) calculated on their base annual salary, using the hourly equivalent of base annual salary, plus 6.92% Holiday Pay, plus the 10-year benefit, and (ii) the 10-year benefit.

The formula shall be illustrated as follows to be followed by an example for clarity:

    (1). Total 15 Year Retention =
   - i. (([Base Pay + (Base Pay x 6.92% Holiday Pay)] + [10-Year benefit]) x 4%)
   - ii. + [10-Year benefit]

    (2). Example based on $10/hr base pay:
   - i. (([$10/hr + ($10/hr x .0692)] + [$0.3208/hr]) x 0.04) = $0.4405/hr
   - ii. + [$0.3208/hr]
   - iii. Total = $0.7613/hr

(d) Upon the satisfactory completion of twenty (20) years of continuous service with the Alameda Police Department, the employee receives retention pay in addition to base salary equal to: (i) five percent (5.0%) calculated on their base annual salary, using the hourly equivalent of base annual salary, plus 6.92% Holiday Pay, plus the 10-year benefit, plus the 15-year 4% amount in subsection (c)(1)(i) above, (ii) the 10-year benefit, and (iii) the 15-year 4% amount in subsection (c)(1)(i) above.

The formula shall be illustrated as follows to be followed by an example for clarity:

    (1). Total 20 Year Retention =
   - i. (([Base Pay + (Base Pay x 6.92% Holiday Pay)] + [10-Year benefit] + [15-Year 4% amount in subsection (c)(1)(i)]) x 5%)
   - ii. +[10-Year benefit]
   - iii. +[15-Year 4% amount in subsection (c)(1)(i)]

    (2). Example based on $10/hr base pay):
   - i. (([$10/hr + ($10/hr x .0692)] + [$0.3208/hr] + [$0.4405/hr]) x 0.05 = $0.5727/hr
   - ii. + [$0.3208/hr]
   - iii. + [$0.4405/hr]
   - iv. Total = $1.33

Exhibit 1

The City agrees to provide eligible unit members with a lump sum longevity/retention payment each fiscal year for a maximum of two (2) lump sum payments during the term of this MOU, in addition to the existing Retention/Longevity Pay provision outlined in Section 11.10. These lump sum payments are limited to the term of this agreement, effective July 1, 2025, through June 30, 2027, and shall be determined based on each unit member's completed years of service with the City. Payments will be distributed at the beginning of each fiscal year during the term of this MOU. Effective the first full pay period following July 1, 2025, unit members with the following completed years of service as of July 1, 2025, shall receive a one-time lump sum payment:

Completed Years of Service	Lump Sum Payment Amount
3 years	$4,500
4 years	$6,000
5 years	$7,500
6 years	$9,000
7 years	$10,500
8 years	$12,000
9 years	$13,500
Ten (10) or more years	$15,000

Effective the first full pay period following July 1, 2026, unit members with the following completed years of service as of July 1, 2026, shall receive a one-time lump sum payment:

Completed Years of Service	Lump Sum Payment Amount
3 years	$4,500
4 years	$6,000
5 years	$7,500
6 years	$9,000
7 years	$10,500
8 years	$12,000
9 years	$13,500
Ten (10) or more years	$15,000

Note: These longevity/retention lump sum payments are provided only for the duration of this MOU, effective July 1, 2025, through June 30, 2027, and shall not continue

Exhibit 1

beyond its expiration unless expressly extended or modified in a successor agreement. The longevity/retention lump sum payments described in this section shall not be reported to CalPERS as compensation earnable as these payments do not comply with CalPERS rules governing special compensation."

Section 2. Section 16 (Holidays) is revised in its entirety to incorporate clarifications as follows:

"**Section 16. Holidays**

Effective July 1, 2022, all employees covered by this Memorandum of Understanding shall be paid additional compensation for holidays at the straight-time daily rate of 6.92% of their regular salaries due to required scheduled staffing without regard to holidays where employees are regularly scheduled to work on holidays as a part of their normal full-time schedules. (Appendix A)

The 6.92% holiday compensation is paid in lieu of time off during only the following approved holidays because of required scheduled staffing:

- New Year's Day, January 1st
- Martin Luther Jing, Jr. Day, Third Monday in January
- Presidents Day, Third Monday in February
- Memorial Day, Last Monday in May
- Juneteenth, June 19th
- Independence Day, July 4th
- Labor Day, First Monday in September
- Veteran's Day, November 11th
- Thanksgiving Day, Fourth Thursday in November
- Day After Thanksgiving, Fourth Friday in November
- Christmas Day, December 25th

Separate from the holiday pay compensation above, employees are eligible for one (1) floating holiday to be scheduled by mutual agreement between the employee and their Department Head or designated representative, to be taken during each year. The employee may take this floating holiday only after completion of twelve (12) months' service with the City. All unused floating holiday hours will be cashed out the last pay date of the calendar year."

Section 3. Except as expressly modified by this letter agreement, the provisions of the MOU shall remain unchanged. This letter agreement will expire with the term of the MOU.

This letter agreement is hereby executed by the authorized representatives of the Parties on the date specified.

Dated: _____, 2026.

Letter of Agreement APOA Longevity Pay and Holiday Pay

Exhibit 1

_____   _____
Adam Politzer, Interim City Manager   Kevin Horikoshi, APOA President

APPROVED AS TO FORM:

By: _____
         Douglas W. McManaway,
         Assistant City Attorney