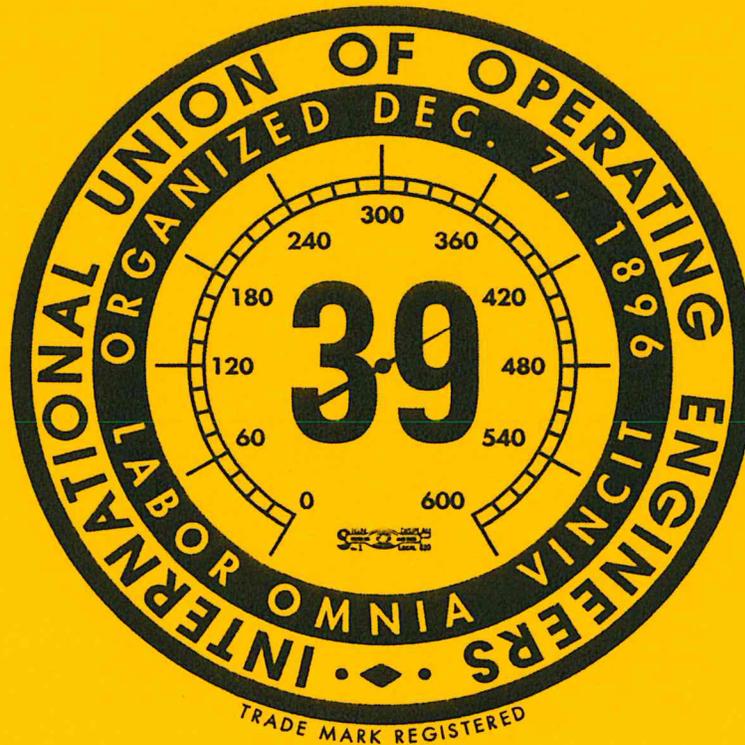


MEMORANDUM OF UNDERSTANDING
BETWEEN
INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 39
AND
CITY OF SOUTH LAKE TAHOE
COVERING ALL EMPLOYEES IN THE
GENERAL AND PUBLIC WORKS
October 1, 2014 – September 30, 2017



MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF SOUTH LAKE TAHOE
AND THE
INTERNATIONAL UNION OF OPERATING ENGINEERS, STATIONARY
ENGINEERS, LOCAL 39
GENERAL AND PUBLIC WORKS

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MEMORANDUM OF UNDERSTANDING BETWEEN THE
CITY OF SOUTH LAKE TAHOE
AND THE
INTERNATIONAL UNION OF OPERATING ENGINEERS, STATIONARY ENGINEERS,
LOCAL 39

ARTICLE 1. GENERAL PROVISIONS

Section 1.1 - PREAMBLE

This Memorandum of Understanding (“MOU”) is entered into by the City of South Lake Tahoe (hereinafter referred to as the City) and the International Union of Operating Engineers, Stationary Engineers, Local 39 AFL-CIO, (hereinafter referred to as the Union) after having met and conferred in good faith regarding wages, hours, and terms and conditions of employment of those employees in the representation unit identified in Appendix A. It is the intent of the parties to set forth herein their entire agreement resulting from such discussions.

Upon ratification by the City Council and the Union membership, this Memorandum of Understanding is binding under Government Code sections 3500-3510 (the Meyers-Milias-Brown Act) for the period commencing October 1, 2014 and ending September 30, 2017.

Section 1.2 - RECOGNITION

The City recognizes Stationary Engineers, Local 39, as the exclusive bargaining agent for the purposes of establishing wages, hours and terms and conditions of employment, for all permanent status employees in the current classifications shown on Appendix A in the General and Public Works bargaining unit. The City agrees to meet and confer exclusively with the Union on all matters relating to the scope of representation pertaining to the said employees as authorized by law.

Section 1.3 - MANAGEMENT RIGHTS

Local 39 acknowledges the City’s rights and responsibilities and to ensure that the City is able to carry out its statutory functions and responsibilities, nothing contained in this Article shall be construed to require the City to negotiate on matters, which are solely a function of management, or not otherwise assigned as an employee right, including, but not limited to, the following;

1. The right to direct the work force
2. To select and determine the number and type of employee required
3. To determine the content of job classifications
4. To hire, transfer, promote, suspend, discipline and discharge employees
5. To assign work to employees in accordance with the requirements of the City of South Lake Tahoe
6. To establish and change work schedules and assignments
7. To lay off employees for lack of work
8. To expand or diminish services
9. To subcontract any work or operations

10. To determine and change methods of operation
11. To determine and change work locations and the processes and materials to be employed
12. To take all necessary actions to perform its functions in emergencies.

Section 1.4 - UNION REPRESENTATION AND COMMUNICATION

A. Time off for Representation

Union designated City employees who are official representatives of recognized employee organizations shall be given reasonable time off with pay to attend meetings with management representatives, or to be present at hearings where matters within the scope of representation are being considered. The use of official time for this purpose shall be reasonable and shall not interfere with the performance of City services as determined by the City.

Except by mutual agreement between the Union and the City, the number of employees excused for such purposes shall not exceed two (2) from each bargaining unit. Such employee representatives shall provide prior notification to his/her appropriate supervisor.

B. Bulletin Boards

City departments which have employees in these bargaining units shall grant the Union reasonable access to space on available bulletin boards for communications regarding official organization business, such as times and places of meetings.

C. Union Access to Employees

The City agrees that for purposes of representation on issues covered by this agreement and official employment issues, the Business Representatives of the Union may meet with unit employees on City facilities during working hours, provided that prior notification has been given to the appropriate supervisor. The Union agrees that such meetings shall not interfere with the normal work duties of the employees.

Solicitation for membership in the Union or other internal Union business not directly connected to the administration of this agreement shall be conducted during the non-work hours of all employees involved.

City facilities may be made available for use by the Union in accordance with such administrative procedures as may be established by the City Manager or Department Heads concerned.

D. Dues

1. The City agrees to establish payroll deductions for: (1) the normal and regular monthly Union membership dues, initiation fees and assessments; (2) the service fees for non-members as set forth in this Section; and (3) the insurance premiums for City or Union plans, not to exceed three (3) insurance deductions per member.

All the above payroll deductions shall be subject to the following conditions:

- (1) Such deductions shall be made pursuant to the terms and conditions set forth in authorization forms approved by the City. Such forms shall be those which are currently used. Any changes or modifications shall be agreed upon between the City and Union.
- (2) Deductions and authorizations shall be separated by type of deduction (Union membership dues, service fees, initiation fees, insurance premiums) and by payee. Additionally, the Union will also receive information as to which employees were required to pay a service fee within a bi-weekly pay period even if such service fee was not payroll deducted.
- (3) Such deductions shall be made only upon submission to the Department of Human Resources, of the said authorization form duly completed and executed by the employee and the Union, except the authorization form for service fees shall be completed and executed by solely the employee.
- (4) The Union will be responsible for notifying the Human Resources Manager of any changes in the amounts to be payroll deducted from the paychecks of employees who have authorization forms on file with the City. Such notification shall be in the form of a letter signed by the authorized representative of the Union certifying a change in dues, service fees, initiation fees, or insurance premiums.
- (5) The Union agrees to indemnify, defend and hold the City harmless against any claims made of any nature whatsoever, and against any suit instituted against the City arising from its deductions for dues, service fees, initiation fees, or insurance or other programs sponsored by the Union.
- (6) The City will remit to the Union for each pay period a check for all of the deductions.

E. Agency Shop

1. General

- a. As a condition of continued employment, all career employees who are paid one or more hours salary during a bi-weekly pay period shall be a member of the Union or pay an agency shop service fee to the Union in an amount determined by the Union.
- b. The provisions of this Section shall remain in effect during the term of this Agreement and any mutually agreed upon extension of that term.

2. Service Fee

The service fee required in subsection (a) shall be an amount not to exceed the Union's uniformly-applied standard initiation fee, periodic dues and general assessments. In computing such amounts, the Union shall exclude expenditures for members-only benefits and Union expenditures for political and ideological purposes unrelated to collective bargaining, contract administration and grievance adjustment. Any dispute as to the service fee or the amount thereof shall be directed solely to the Union, and the City shall not be a party to the dispute.

Both the service fee and the Union dues shall be paid to the Union through payroll deductions as set forth in this Section. There is no obligation on the part of the City to provide payroll deduction for the three (3) organizations listed in subsection (3).

3. Religious Objection

Any employee otherwise required to pay a service fee under this Section, and who is a member of a bona fide religion, body or sect which has historically held conscientious objections to joining or financially supporting public employee organizations shall not be required to join or financially support any public employee organization as a condition of continued employment. Such an employee shall be required as a condition of continued employment, in lieu of the service fee, to pay a sum equal to the service fee otherwise payable under this Section to a non-religious, non-labor charitable fund exempt from taxation under Internal Revenue Code Section 501(c)(3). Upon request of the Union, such employee shall be required to submit to the Union proof of payment of the in-lieu-of service fee. For purposes of this Section, such employees shall choose from the following three (3) organizations:

Christmas Cheer
United Way
Women's Center

Employees claiming a religious exemption shall be required to file a written statement under oath or affirmation with the Union, which identifies the religious organization by name, if any, and which provides in detail that the employee and the organization meet all of the requirements for claiming the religious exemption.

4. Disclosure and Reporting

The Union shall keep an adequate itemized record of its financial transactions and shall make available annually, to the City and to the employees covered by this Section within sixty (60) days after the end of its fiscal year, a detailed written financial report thereof in the form of a balance sheet and an operating statement, certified as to accuracy by its president and treasurer or corresponding principal officer, or by a certified public accountant. The Union, if required to file financial reports under the Labor-Management Disclosure Act of 1959 covering employees

governed by this Agreement, or if required to file financial reports under Section 3546.5 of the Government Code, shall instead provide the City with a copy of such financial reports.

5. Hold Harmless

The Union shall promptly refund to the City any amounts paid to the Union in error under this Section.

The Union expressly agrees to indemnify and hold the City harmless from any and all claims, demands, costs (including any costs incurred by the City in defense of a lawsuit), expenses, damages or other monetary losses arising out of or in any way connected with any action or inaction of the City in the adoption or administration of this Section. This hold harmless and indemnity agreement shall include but not be limited to employee legal actions of any sort or nature against the City based upon or related to this Section. Further, in the event that the City undertakes disciplinary action against an employee pursuant to this Section, this hold harmless and indemnity agreement shall cover all costs and expenses, including any costs incurred by the City in defense of a lawsuit.

6. Change of Law

In the event there is a change in the law whereby any provision hereof becomes invalid or if for any reason any provision of this Section is rendered unlawful by any published appellate court decision, this Section shall be forthwith deemed amended to comply with the change or decision in question.

7. Discipline Procedure

No employee shall be terminated under this Section unless:

- a. The Union first has notified the employee by letter, explaining that he/she is delinquent in not tendering the required service fee, or payment in lieu of service fee pursuant to Section 1.4.D or 1.4.E.2 above, specifying the current amount of the delinquency, and warning the employee that unless such service fee, or payment in lieu of service fee, is tendered within thirty (30) calendar days, the employee will be reported to the City for termination as provided in this Section; and
- b. The Union has furnished the City with written proof that the procedure of subsection 1.4.E.7.a above has been followed, or has supplied the City with a copy of the letter sent to the employee and notice that he/she has not complied with the request. The Union must further provide, when requesting the City to terminate the employee, the following written notice:

"The Union certifies that (employee's name) has failed to tender the agency shop service fee, or payment in lieu of service fee, required as a

condition of employment under this Agreement and that under the terms thereof, the City shall terminate the employee."

Section 1.5 - PAST PRACTICES

The City and the Union agree that those policies and practices affecting the wages, hours, or working conditions of employees in this unit not specifically amended by this Memorandum of Understanding will not be changed until and unless the Union and City have met and conferred prior to any change.

Section 1.6 - CONCERTED ACTIVITIES

It is agreed and understood that there will be no strike, work stoppage, slow-down, or refusal or failure to fully and faithfully perform job functions and responsibilities or other interference with the operations of the City by the Union or by its officers, agents, or members during the term of this agreement, including the recognition of picket lines or additional compliance with the request of other labor organizations to engage in such activity.

The Union recognizes the duty and obligation of its representatives to comply with the provisions of this agreement and to make every effort toward encouraging all employees to do so. In the event of a strike, work stoppage, slow-down, or other interference with the operations of the City by employees who are represented by the Union, the Union agrees in good faith to take all necessary steps to cause those employees to cease such action.

Section 1.7 - MODIFICATIONS AND WAIVERS

No agreement, alteration, understanding, variation, waiver, or modification of any of the terms or provisions contained in this agreement shall in any manner be binding upon the parties to the agreement, unless made and executed in writing by all parties involved, and if required, approved by the City Council and ratified by the membership of Local 39.

Section 1.8 - SAVINGS PROVISION

If any provisions of this agreement are held to be contrary to law by a court of competent jurisdiction, such provisions will not be deemed valid and existing except to the extent permitted by law. Those provisions declared invalid shall be deemed severable from this agreement; but all other provisions will continue in full force and effect.

Section 1.9- FEDERAL PAC

The Employer will deduct (\$0.05) for each hour the employee receives wages under the terms of the Agreement, on the basis of individually signed, voluntary authorized deduction forms. It is agreed that these authorized deductions for the Local 39 federal PAC are not conditions of membership in the Stationary Engineers, Local 39 or of employment with the Employer and that the Local 39 federal PAC will use such monies in making political contribution in connection

with Federal, State, and local elections. Payments shall be made on a separate check to Local 39 federal PAC, accompanied by monthly reports reflecting employee hours worked on forms provided by the Local 39 federal PAC, shall be remitted to 1620 North Market Blvd., Sacramento, CA 95834.

The costs of administering this payroll deduction for Local 39 federal PAC are incorporated into the economic package provided under the terms of this Agreement so that the Local 39 PAC has through its negotiation and its execution of this Agreement, reimbursed the Employer for the costs of such administration.

Section 1.10 - DURATION

This Agreement shall remain in full force and effect from October 1, 2014 through September 30, 2017. The parties agree to begin negotiations on a successor Memorandum of Understanding no later than 60 calendar days prior to expiration of this Memorandum of Understanding.

ARTICLE 2. PAY RATES AND PRACTICES

Section 2.1 - WORK HOURS

Unless otherwise specified by the City, the standard work week for employees in full-time positions shall consist of forty (40) hours during each seven (7) day work period, as work periods are defined by the City.

Section 2.1.1 - Rest Periods

- A. Each employee covered by this Agreement shall be allowed rest periods not to exceed fifteen minutes generally in the middle of each four consecutive hours of work. These rest periods will be as currently administered by their respective departments. Rest periods may be cancelled by the City if there is an emergency.
- B. The City shall determine when the rest period is to be taken. Except with the consent of the City, an employee shall not leave his or her assigned work location.
- C. Rest periods shall be considered hours worked. Rest periods not taken shall not be accumulated or used for overtime purposes.

Section 2.2 - OVERTIME

A. Definition/Approval

Overtime is defined as hours worked in excess of forty (40) hours in paid status per workweek. Time spent in voluntary training is not considered time worked for the purposes of overtime calculation.

Approval to work overtime must be granted by the employee's department head or his/her designated representative. No overtime, except emergencies, may be authorized unless sufficient funds have been budgeted for that purpose.

B. Payment

Overtime over one-quarter of an hour shall be paid at the rate of one and one-half (1 1/2) times the employees regular rate as defined by the Fair Labor Standards Act, or may, at the request of the employee and with prior approval from the appointing authority, be converted to compensatory time off at the rate of one and one-half (1 1/2) times the hours worked.

C. Accrued Compensatory Time

When elected, compensatory time earned shall be accrued at the end of each workweek, based on the total number of overtime hours in the workweek. Compensatory time earned within one workweek cannot be used within that same workweek. Once a maximum of eighty (80) hours of compensatory time has been accrued, the employee shall be paid for all additional overtime hours worked at the overtime rate. Employees directly engaged in snow removal may elect to accrue additional hours for overtime worked during snow removal, up to one hundred sixty (160)

additional hours, with a mandatory payout of all hours over eighty (80) hours in eight equal installments beginning the first full pay period in May of each year.

Employees may elect to receive payment for all or any portion of the eighty (80) accrued compensatory time hours on the books. Such payment shall be at any time during the year. A minimum of 10 hours of compensatory time must be submitted each time payment is requested.

When an employee separates from City service, he/she shall receive payment for any unused compensatory time on the books at that time. Such payment will be made at the employee's rate of pay at the time of separation.

Compensatory time is paid out should the employee be promoted to a classification that is exempt from overtime – paid out at rate of pay being earned just prior to promotion.

D. Scheduling of Work Weeks

(1) Flexible Scheduling

Employees may, individually or as a group, request to work a schedule other than the standard 5/40 schedule with working hours from 8:00 a.m. to 5:00 p.m., such as a 4/10 work schedule (four (4) consecutive days of ten (10) hours each day), or a 9/80 work schedule (eight (8) days of nine (9) hours each day and one (1) day of eight (8) hours). Requests to work an alternative schedule must be submitted, in writing, to the employees Department Head. Where operationally feasible, the City Manager may authorize flexible schedules on an individual or group basis. When a flexible schedule is approved, the City retains the right to return the employee or employees to the former schedule on a temporary or permanent basis. Changes to work schedules shall occur at the beginning of the workweek.

When a holiday falls on an employee's regularly scheduled workday, employees working on an alternative schedule are required to use their leave balances to make up the difference in the holiday hours and the number of hours the employee was scheduled to work on the day falling on a holiday, unless:

- a. The employee obtains written approval to work additional hours at a straight time rate during the holiday week to substitute for the leave hours that would have been required to make up the difference; or
- b. The employee works on the holiday, and requests in writing, to bank the holiday hours, as holiday time off to use at a later date.

(2) Parks & Recreation Division

It is the intention of the Parks and Recreation Division management to schedule employees' work weeks in such a way that results in full work days and two (2) consecutive days off whenever feasible. Schedules shall be made one month in advance and employees shall be consulted on preferred times off within a work week to offset required weekend or evening hours. Such preferences shall be granted by the department head when they do not conflict with the needs of the Department's services as those services are defined by the Department Director.

In no case may an employee's work schedule be changed during the work week unless agreed to by the employee. Such an employee will have the option to earn compensatory time, overtime pay, or time off in accordance with the 40-hour workweek provisions of the Fair Labor Standards Act.

(3) Airport

It is the intention of the Airport management to schedule employees' workweeks in such a way that schedules shall be made and employees notified at least two weeks in advance. It is expressly understood that Airport management has the ability to determine shift day schedules and hours of day schedules. Employees shall be consulted on preferred shifts, selecting shift by seniority. Such preferences shall be granted by the Airport management when they do not conflict with the needs of the Airport's services as those services are defined by the Department Director.

In no case may an employee's work schedule be changed during the work week unless agreed to by the employee. If the City requires an employee to work on his or her regularly scheduled day off, the employee will have the option to earn compensatory time off, or overtime paid at the rate of one and one-half times the employees' regular rate of pay for all hours worked on his or her regularly scheduled day off.

To accommodate the need to retain Crash Fire Rescue ("CFR") personnel on-site, shifts including CFR duties where personnel are required to remain on site and available to work for the entire shift shall include a paid meal period. A meal break may be taken at the discretion of the employee when operational needs allow.

The employee's schedules as determined by Airport Management shall be posted and employees shall be given the opportunity to select shifts based on seniority between April 1st and April 30th and again between November 1st and November 30th of each year. Nothing in this paragraph shall be interpreted to imply that Management cannot post schedule changes at any other time of the year as well in its sole discretion.

Section 2.3 - CALL-BACK ASSIGNMENTS

Employees who are called back to work on an unscheduled, emergency basis at a time outside their regularly assigned work shift shall receive a minimum of three (3) hours pay at the overtime rate as provided in the overtime section of this MOU.

Section 2.4 - SHIFT DIFFERENTIAL

A. Swing Shift Differential

Except as provided in paragraph F below, full-time employees whose assigned work shift begins at 12:00 noon or later shall be paid an additional \$.75 per hour over their regular pay rate for all scheduled and overtime hours worked during the shift.

B. Night Shift Differential

Except as provided in paragraph F below, full-time employees who work at least three-quarters (3/4) of their assigned work shift between the hours of 5:00 p.m. and 6:00 a.m. shall be paid an additional \$1.10 per hour over their regular pay rate for all scheduled and overtime hours worked during the shift (in lieu of the above swing shift differential pay).

Three-quarters (3/4) of the assigned shift shall mean:

- six (6) hours for employees on an eight (8) hour day schedule;
- seven (7) hours for employees on a ten (10) hour day schedule; or
- nine (9) hours for employees on a twelve (12) hour day schedule.

C. Snow Removal/Shift Change

Except as provided in paragraph F below, each Community Services Department employee engaged in street snow removal or related motor pool support activities who works a shift starting at 2 p.m. while changing from day to night shifts for snow removal duties, shall be paid an additional \$1.10 per hour over their regular pay rate for all scheduled and overtime hours worked during such shifts (in lieu of the swing shift differential pay).

D. Exclusions

Except as provided in paragraph F below, shift differential pay shall not apply to any paid leave hours nor to any hours scheduled within the qualifying periods for the convenience of the employee.

E. Night Shift Assignments

Equipment Maintenance Division

Snow removal night shift assignments in the Fleet Maintenance Division will be made in a fair and equitable manner, taking the following criteria into consideration:

- a. Volunteers
- b. Special required Skills
- c. Seniority

If none of the volunteers or least senior persons possess the special skills the Department has determined are required, the Department will assign the least senior person who has the needed skills.

Street and Building Maintenance Divisions

A night shift assignment list is developed annually. Each November of subsequent years this list will be updated and submitted to the Public Works Director by the Streets Manager.

Each November night shift assignments will be made for the upcoming snow removal season in the following manner:

The Streets Manager shall request volunteers for night shift assignments from among permanent Heavy Equipment Operator/Street Maintenance Workers and shall assign all volunteers to the night shift. If there are an insufficient number of permanent Heavy Equipment Operator/Street Maintenance Workers volunteers for night shift, qualified temporary Street Maintenance Workers shall be assigned to the night shift. All permanent Heavy Equipment Operator/Street Maintenance Workers volunteers and all qualified temporary Street Maintenance Workers will be assigned to the night shift before any involuntary assignments are made.

Employees, when first appointed as permanent Street Maintenance Workers, will work three snow removal seasons on the night shift unless a sufficient number of more senior employees volunteer for night shift, so that when combined with qualified temporary Street Maintenance Workers, no involuntary assignments are required. After a permanent Street Maintenance Worker has worked three snow removal seasons, their name will be placed at the top of the Night Shift Assignment List.

If after all volunteers, qualified temporary Street Maintenance Workers and permanent Street Maintenance Workers with less than three snow removal seasons experience have been assigned to the night shift, additional positions on the night shift remain to be assigned, the person(s) at the top of the Night Shift Assignment List shall be assigned to the night shift and their name rotated to the bottom of the list.

The order of the names on the Night Shift Assignment List remains the same unless:

1. A permanent Street Maintenance Worker completes their initial three snow removal seasons at which time their name goes to the top of the Night Shift Assignment List and all other names move down; or
2. Involuntary assignments are made resulting in one or more names rotating to the bottom of the list.
3. An employee or employees names remain at the top of the list until night shifts are involuntarily assigned. If an employee(s) whose name is at the top of the list when involuntary night shift assignments are made has already volunteered for a night shift assignment their names are rotated to the bottom of the list until enough eligible non-volunteers have been assigned to the night shift to fill the night shift crew.

To keep disruption to a minimum no more than two Heavy Equipment Operator/Street Maintenance Workers per season will be allowed to move off the night shift. If more than two Heavy Equipment Operator/Street Maintenance Workers request reassignment from the night shift only the two most senior Heavy Equipment Operator/Street Maintenance Workers will be reassigned to the day shift.

F. Night Shift Differential for Snow Removal Season

Employees assigned to snow removal operations, including employees in the Streets Division, the Motor Pool Division, and the South Lake Tahoe Airport, who are assigned to work the night shift for the snow removal season, i.e., November 1 through April 30, will receive a night shift differential of 4% on scheduled and overtime hours. Employees receiving a night shift

differential under this paragraph are not eligible for night shift differential under paragraphs A, B, or C above.

Section 2.5 - SPLIT SHIFT DIFFERENTIAL

The City agrees that those permanent employees in the Parks and Recreation Division who are ordered or authorized through approval of their schedule by management to work a split shift shall receive seven dollars and twenty-five cents (\$7.25) for each split shift worked, (said payment to be) in lieu of any shift differential pay. In order to qualify for a split shift differential, a permanent employee must work a total of at least eight (8) hours with a break between work periods that is in excess of normal meal breaks.

Section 2.6 - ACTING PAY

Employees may be assigned by management to temporarily assume some or all of the duties of a position which is vacant due to a temporary absence or termination of the incumbent. Additional compensation shall be given for such assignments when the following provisions have been met:

- a. The assignment is made in writing by the Department Head or his/her designated representative and approved by the Human Resources Manager.
- b. The employee is assigned to perform a significant majority of the duties of a budgeted vacant position in a higher paid classification.
- c. The duties of the higher class are assigned to and performed by the designated employee for forty-eight (48) or more regular, consecutive work hours.

Employees, who perform the duties of a higher classification under the above provisions, shall receive "acting" pay beginning on or retroactive to the first day of the assignment.

Acting pay shall be five percent (5%) more than the employee's salary in the present classification, or the first step of the higher classification's pay range, whichever is greater. In no case shall the employee receive a salary greater than the top step of the salary range of the higher classification.

Acting pay shall apply to sick leave and to any overtime worked in the higher classification (when eligible), but shall not apply to any paid leave taken during the acting assignment.

Work assignments shall not be changed for the sole purpose of evading the requirement of providing acting pay to an employee who would otherwise be eligible.

Section 2.7 - MECHANICS CERTIFICATION PAY

Full-time employees occupying the classifications of Equipment Mechanic Leadworker and Equipment Mechanic shall receive five dollars (\$5.00) per month (paid bi-monthly) in addition to their regular rate of pay, for possession of each of the following certificates or licenses:

- Any one of the eight (8) individual certificates that make up the Master Automobile Technician Certificate, issued by the National Institute for Automotive Service Excellence.
- A Class A Lamp Adjuster License issued by the Bureau of Automotive Repair.
- A Class A or B Brake Adjuster License issued by the Bureau of Automotive Repair.

In addition to the above, any full-time Equipment Mechanic Leadworker or Equipment Mechanic who obtains all eight certificates as indicated above, and receives a full Master Automotive Technician Certificate, shall receive an additional \$5.00 per month (paid bi-monthly) certification pay.

Full-time employees occupying the classification of Equipment Mechanic Leadworker and Equipment Mechanic shall receive 1% of their base pay for each of the following individual certificates that make up the Master Heavy Duty Truck Technician Certificate, issued by the National Institute for Automotive Service Excellence:

T1	Gasoline Engine
T2	Diesel engine
T3	Drive Train
T4	Brakes
T5	Steering/Suspension
T6	Electrical Systems

Verification of possession of the certificates listed above will be required before certification pay is granted.

Part-time regular employees meeting the above criteria will receive certification pay on a pro rata basis as determined by the number of regularly assigned hours.

Employees will be reimbursed for application, registration and testing fees for the above certifications, upon successful completion of the tests.

Section 2.8 - WELDING CERTIFICATION PAY

Full-time employees occupying the classifications of Lead Street Maintenance Worker, Lead Parks Maintenance Worker, Equipment Mechanic Leadworker and Equipment Mechanic shall receive twenty dollars (\$20.00) per month (paid bi-monthly) in addition to their regular rate of pay for possession of each of the certificates issued by the American Welding Society for flat, horizontal, vertical or over-head welding. However, the City shall make such payment for no more than the first four (4) welding certificates earned among all employees in the Motor Pool Division.

Employees who are eligible for certification pay will be reimbursed for the registration fees they have incurred in taking welding classes. Such reimbursement shall only be made upon successful completion of the certification test and is dependent upon prior approval of the course by the

Public Works Director. Such requests for prior approval of welding classes shall not be unreasonably denied.

Section 2.9 - SHARED POSITIONS

Permanent full-time positions shared between the Streets Division and Parks and Recreation Division shall meet the service eligibility requirements for promotion to Senior Maintenance Worker class after completion of eighteen (18) months service in the shared positions. At the time a shared employee is transferred from one department to another, his/her salary shall continue at the same step in the salary range for the class to which he/she is assigned.

Section 2.10 – SALARIES

The top and bottom of each salary range, for all classifications, shall be increased as follows:

- 4.0% base salary increase, effective the first pay period containing October 1, 2014;
- 4.0% base salary increase, effective the first pay period following October 1, 2015; and
- 4.0% base salary increase, effective the first pay period following October 1, 2016.

Base Increases: For purposes of this section, “base salary” shall mean a qualifying employee’s straight time hourly rate of pay as shown on salary schedule, and shall not include overtime, skill pay, or other special salary differential(s) or pay.

Appendix C includes the Salary Table as of October 1, 2014, following implementation of the first increase noted above.

Section 2.11 - LONGEVITY PAY

Effective October 1, 2014, merit pay under this section and section 10-5 of the City’s Personnel Rules, shall be discontinued and replaced with the following longevity benefit. In addition, the “6th step” (previously provided in lieu of merit pay after 15 years of service) is eliminated.

Eligibility: Employees who have worked for the City in a regular position, for at least ten continuous years are eligible for longevity pay. Additionally, as part of the transition from merit pay to longevity pay, all employees who were eligible and receiving merit pay under the terms prior to October 1, 2014 shall be eligible to receive longevity pay under this section; however, these employees shall not be eligible for an additional increase under this section upon reaching ten years of City service.

Benefit: Eligible employees shall receive an additional 5% in pay (paid as an incentive pay rather than as 6th step in salary). This amount is not a one-time lump sum payment and shall be paid equally across pay periods. The benefit shall be considered pensionable compensation for all members with at least five years of City service.

Note: Unlike other incentive pays, the Longevity Pay provided by this section only, will be treated as base pay (used in calculations as if it were part of base pay except for calculating increases to the base salary as defined under Section 2.10).

Section 2.12 – ONE-TIME MOU SIGNING INCENTIVE

The City shall pay each employee the following non-PERSable one-time lump sum bonus payments to be paid in the paycheck for the pay period that includes the following dates:

January 1, 2015:	\$3,000
October 1, 2015:	\$2,000
January 1, 2017:	\$500

These payments are taxable and all regular payroll taxes shall be withheld. New employees who are hired during the year will receive a pro-rated amount (pro-rated based on fiscal year) added to their paycheck within 30 days of hire.

Section 2.13 – BILINGUAL PAY

The City will pay an additional \$50 per month (paid bi-weekly) to employees in this unit who are able to demonstrate bilingual capacity in Spanish and English. The testing will be administered through Human Resources and must be able to be taken successfully without assistance with the English language. A written request for testing must be submitted to Human Resources. If it is determined that the employee is fluent in Spanish and English, the employee will be paid the bilingual differential effective the month in which the request for examination was submitted.

Section 2.14 - EDUCATIONAL INCENTIVE

Whereas the City benefits from employees continuing their education and training throughout their career, the City encourages and rewards those employees who continue their training during their tenure as a City employee. The City demonstrates its commitment to the continued improvement of the skills of City employees by establishing this Education Incentive program.

The Educational Incentive program shall be governed by a joint labor management committee consisting of two members appointed by the Union, and two members appointed by the City Manager, from among the City's unrepresented managers. These four members will appoint a neutral chair by mutual agreement. Committee members and the chair shall be appointed for one-year terms, and may be reappointed. The committee shall meet at the call of the chair or a majority of the committee members. All other actions of the committee shall be by majority vote; however at least one member appointed by the Union and one appointed by the City Manager must vote in the affirmative for a motion to pass. Decisions reached by the Committee per the foregoing are final and binding on the City, the Union and employees. The Committee shall keep a record of all its actions and provide copies to the City Manager and the President of the Union.

The Committee shall be responsible for:

- 1) Establishing criteria for approving applications for Educational Incentive payments consistent with the requirements enumerated below;
- 2) Review and approve or reject, by affirmative action, all applications by employees for Educational Incentive payments, taking care to fairly and consistently apply the requirements enumerated herein and the criteria established by the committee.

Education Incentive payment parameters:

- A. Training related to an employee's current job duties, job duties likely to be assigned in the future or to prepare an employee for promotion are eligible for consideration by the Committee for an Education Incentive;
- B. The Committee will establish criteria for measuring the approximate number of hours invested by an employee in a training program or to obtain a certificate of competence.
- C. As determined by the Committee an employee must complete 50 hours of additional training for each level of Educational Incentive applied for.
- D. Two levels of Education Incentive are established. Each level shall be 1% of base salary. Training may be completed prior to the effective date of any given level. The levels and their associated pay are:

Level 1)	1% of base salary	50 hours of training
Level 2)	An additional 1% of base salary	Additional 50 hours of training

- E. Employees are not eligible for Educational Incentive pay if they are receiving other differential pay or incentives for the same training or certificates. Employees are not eligible for Education Incentive pay for training or certificates required as part of the "Minimum Requirements" for their classification, unless such minimums have changed since their initial employment in their current classification. (An employee could be receiving Education Incentive pay and lose such pay upon promotion because the Educational Incentive pay was based on training or certification that is part of the "Minimum Requirements" for the position to which the employee has promoted.)

Process for Requesting Education Incentive Payments:

- A. Employees will submit applications for Educational Incentive payments to their Supervisor/Manager. The Supervisor or Manager may comment on the applicability of the training or certificate to the employee's job duties or future assignments but shall not approve nor reject such a request. Supervisors/Managers shall add their comments, if any, and promptly forward all requests to the Department Head.
- B. Department Heads will have authority to approve or deny applications for Educational Incentive payments following the guidelines set forth by the Committee. Any questions that arise from this review may be forwarded to the Committee for guidance. Denial of applications may be submitted to the Committee for appeal. The decision of the Committee shall be final and binding.
- C. Pay is effective the date the employee submits the request to his/her Department Head with all necessary back-up documentation. If additional back-up documentation is needed, the effective date will be delayed. The Committee's guidelines regarding what constitutes necessary back-up is defined on the application form.

Section 2.15 – SNOW REMOVAL OPERATIONS "ON CALL" PAY

Due to the unpredictable nature of the weather and snow removal operations, maintaining the safety of the City requires that snow removal operations on public City streets be available when needed during the winter storm season. This policy provides an on-call process for the City's Snow Removal Crew to meet this safety need and to compensate employees for on-call status. The Snow Removal Crew consists of individuals within the Street Maintenance Division and the Fleet Maintenance Division of the Public Works Department.

A. On-Call Process

The snow removal season is November 1 through April 30 of each year. The City may alter the Season start and end dates based on unusual weather conditions at its discretion. Each Friday during the snow removal season the Streets Superintendent will inform the Snow Removal Crew if it is in an on-call status. The Streets Manager will place the Snow Removal Crew in an on-call status based on a system to be determined. Street Superintendent has discretion to put partial crew on on-call status. Determination will be based on volunteers and/or seniority. If no volunteers, crews will be selected based on minimizing overtime or reverse seniority.

The Snow Removal Crew will make itself available for snow removal operations from the end of each employee's work shift on Friday until the beginning of the employee's shift the following Monday. It is each employee's responsibility to be physically and mentally prepared to report to work during all on-call hours.

The City may schedule an employee to work a particular shift instead of being placed in or remaining in an on-call status. Employees scheduled to work a shift are not entitled to on-call pay.

B. Return-to-Work Process

Each Snow Removal Crew employee will ensure that the Streets Manager has a current, operable telephone number (landline, cellular or voicemail) at which the City can contact the employee for snow removal operations during each on-call weekend. Each Snow Removal Crew employee may be contacted via the designated telephone number by the Streets Superintendent or another supervisor designated by the City during any on-call weekend to return to work for snow removal operations.

Employees requested to return to work immediately will return to work in no more than 60 minutes from the time the supervisor telephones the employee unless the supervisor determines there is an exceptional circumstance. Employees requested to return to work at a designated time will return to work at that designated time.

An employee called to return to work will cease to be in an on-call status after completing snow removal operations unless the Streets Manager or another designated City supervisor informs the employee that the employee will remain in an on-call status.

C. Unavailability

Weekend unavailability must be scheduled in advanced and pre-approved during the winter storm season for each on-call weekend. Generally, one employee on the day shift and one employee on

the night shift (excluding lead workers) may be unavailable each on-call weekend. Management may at its discretion permit additional employees to be unavailable at its discretion. Unavailability requests must be made in writing using the vacation request form and authorization granted in writing. A weekend unavailability schedule will be posted along with the current vacation posting procedure. If more than one request is received for the same time period, unavailability authorization will be granted on a first come, first served basis as the discretion of the division supervisor.

D. Compensation

Employees will receive on-call pay in the amount of 23% (less required taxes/withholdings) of the employee's base overtime rate (1.5 x base hourly rate) for each on-call weekend. Employees may not accrue compensatory leave time for on-call days. On-call pay ceases when an employee returns to work for snow removal operations, at which time an employee begins to receive call-back pay. Further, on-call pay for the second or third day of a weekend period may be ended if a reasonable effort to notify affected employees is made by 8:00 p.m. of the previous day. A "day" for purposes of this policy is defined as 12:01 a.m. to 12:00 p.m. – a 24 hour period.

The City and Union agree that on-call time is not "hours worked" under the Federal Fair Labor Standards Act or any similar California law.

Snow Removal Crew employees are committed to provide safe streets and will be flexible in the event an unexpected storm occurs that necessitates snow removal operations at a time when employees are not in an on-call status.

Section 2.16 CERTIFICATION PAYS

Employees in the Lead Street Maintenance Worker, Heavy Equipment Operator, and Equipment Mechanic classifications shall receive twenty dollars (\$20.00) per month per certificate in addition to their regular rate of pay for possession of one or more of the certificates listed below:

1. Hazmat
2. Tanker Endorsement
3. Class A Driver's License

Employees in the Parks Supervisor, Lead Parks Maintenance Worker, Senior Parks Maintenance Worker, and Parks Maintenance Worker classifications who work a split classification with either Lead Street Maintenance Worker, Heavy Equipment Operator, or Equipment Mechanic classifications shall receive twenty dollars (\$20.00) per month per certificate in addition to their regular rate of pay for possession of one or more of the certificates listed above.

The City may, at its discretion, limit the number of certificates that may be paid for under this section.

SECTION 2.17 DEFERRED COMPENSATION

All employees are eligible to participate in the deferred compensation program (457 Plan) by making an election to contribute pre-tax money into the account on a per pay period basis.

SECTION 2.18 DEFERRED COMPENSATION – CITY MATCHING

A. Eligibility.

Employees with five (5) years of City service are eligible to participate in the City deferred compensation matching program. To receive this benefit, eligible employees must elect to participate in the City's matching contribution program during open enrollment of each year.

B. Benefit.

The City will provide a matching contribution of up to fifty percent (50%) of the employee's contribution, up to a maximum contribution by the City of \$1,500 per employee (estimated at \$58 per pay period) per fiscal year. The City's match shall be made according to the following:

1. The City's match will be paid in equal installments, rounded to the nearest dollar. The City's matching contribution shall be made to the employee's ICMA 401(a) Plan account.
2. Employee's becoming eligible for this benefit after the start of the fiscal year, will receive a pro-rated portion of the annual \$1,500 maximum City contribution, payable to their 401(a) in equal installments, rounded to the nearest dollar over the remaining number of pay periods in the fiscal year.
3. Where an employee elects during open enrollment to contribute to the ICMA 457 in one lump sum amount (IE: elects to make their entire contribution to the ICMA 457 plan in a single month), the City Matching Funds will begin as of the pay period in which the lump sum deposit is made and will be payable in equal installments, rounded to the nearest dollar based on the number of pay periods remaining in the fiscal year.
4. Employees reaching five years of continuous regular employment during the fiscal year will receive a pro-rated matching contribution for the remainder of that fiscal year, based on the first of the month following the employee's fifth year of service.
5. For fiscal year 2014-2015 only, the matching funds will be contributed by the City between January 1 and September 30. So long as the employee contributes a total of \$3,000 over the full fiscal year, they will receive the full matching contribution of \$1,500 by September 30.

ARTICLE 3. PAID LEAVES

Section 3.1 - HOLIDAYS

A. Fixed Holidays

Eight (8) hours of paid leave shall be granted to all eligible employees for each of the following days:

New Years Day	January 1
Civil Rights Day/ Martin Luther King, Jr. Birthday	Third Monday in January
Washington's Birthday	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Columbus Day	Second Monday in October
Veterans Day	November 11
Thanksgiving Day	Fourth Thursday in November
Day After Thanksgiving	Fourth Friday in November
Christmas Eve	December 24
Christmas Day	December 25

Regular status, part-time employee shall be paid for fixed holidays on a prorated basis, given the ratio of their budgeted work schedule to full-time status.

B. Holiday Observance

For employees whose regular work schedule is Monday through Friday, holidays which fall on a Saturday shall be observed on the preceding Friday, and holidays which fall on a Sunday shall be observed on the following Monday.

Note: Whenever December 24th falls on Saturday or Sunday, the Christmas Eve Holiday will be observed on the preceding Friday. Whenever December 25th falls on Saturday or Sunday, the Christmas Holiday will be observed on the following Monday.

For employees whose regularly scheduled day off falls on a fixed holiday, the number of holiday hours normally earned on that day shall be converted to "time off in lieu of holiday pay" to be used in accordance with that provision as shown below.

C. Holiday Eligibility

To qualify for holiday pay, an employee must be on paid status on his/her last regularly scheduled work day immediately preceding the holiday and on his/her first regularly scheduled work day immediately following the holiday.

Fixed holidays which occur while an employee is on paid vacation or sick leave shall be charged to holiday hours and not the employee's vacation or sick leave balance.

D. Holidays Worked

1. Employees who work on any fixed holiday at the direction of their supervisor shall be paid, or at the request of the employee, given compensatory time off, at the overtime rate for the number of hours worked and, in addition, shall receive his/her regular holiday pay.
- 2.. Public Works, Parks/Recreation or Airport employees who work on Thanksgiving Day, Christmas Day, or Christmas Eve shall be paid, or at the request of the employee given compensatory time off, at the rate of 2.5 times their base hourly rate for the number of holiday hours worked and, in addition, shall receive their regular holiday pay.
3. Holiday hours worked as used in this provision shall be defined as:
 - (a) All hours within a shift that begins between 12:00 A.M. and 11:59 P.M. on a fixed holiday; or
 - (b.) Under paragraph two, above, designated employees whose shift begins on the day prior to and extends into a holiday designated in paragraph 2 or begins on a holiday designated in paragraph 2 and extends into the day following the holiday shall be eligible for compensation at the rate of 2.5 times their base hourly rate for all hours worked during such shift provided that no employee will receive compensation at the rate of 2.5 times their base hourly rate for more than one shift.

E. Time off in lieu of holiday pay

Time off in lieu of holiday pay may only be taken with the prior approval of the employee's supervisor in accordance with the "scheduling of leave time" section below.

Section 3.2 - VACATION

A. Accrual

Employees covered by this agreement shall accrue vacation leave each pay period in relation to their years of continuous service in a permanent-status position as follows:

<u>Years of Service</u>	<u>Accumulated Vacation per Year</u>
First five (5) years	88 hours
Beginning of the sixth (6th) year	128 hours
Beginning of the eleventh (11th) year	168 hours
Beginning of the fifteenth (15th) year	176 hours
Beginning of the eighteenth (18th) year	184 hours

Beginning of the twenty-first (21st) year

208 hours

Permanent part-time employees shall accrue vacation on a pro-ration of the schedule above, based on the ratio of their budgeted workweek to full-time status.

Employees shall not accrue vacation leave for any time spent on unpaid leave of absence.

B. Maximum Vacation Accrual

Effective June 1, 2015, the maximum vacation accrual shall be capped at 240 hours. Accrual of vacation shall be suspended until an employee's vacation leave balance is reduced below the 240-hour cap.

Upon reaching the cap, if the employee was denied vacation due to operational need in the preceding 90 days, the employee shall continue to accrue vacation for an additional 90 days. However, at the end of the 90-day extension period, employees will not accrue any additional vacation leave until their vacation leave balance falls below 240 hours.

The total number of accrued vacation hours which may be carried over for an employee from one calendar year to the next shall be limited to 240 hours.

C. Use and Scheduling of Vacation

Employees may begin to use accrued vacation leave after completion of six (6) months of service in a permanent-status position. Vacation leave may be taken with the approval of the supervisor.

D. Vacation Sell Back

Employees may elect to sell back to the City accrued, but unused, vacation provided the employee has used a minimum of forty (40) hours of accrued vacation during the twelve (12) months immediately preceding the return of hours.

The employee will be compensated for such returned vacation hours at the base salary rate in effect for that employee at the time the hours are returned to the City.

The minimum number of hours that can be returned at any one time is ten (10) hours.

Any employee who is given a disciplinary action that results in a loss of pay shall be excluded from use of this provision for sixty (60) calendar days from the date he/she receives the notice of intent to take such disciplinary action.

E. Additional Vacation Purchase

1. Employees covered by this MOU, who have a vacation balance less than the cap of 240, may elect to purchase either forty (40) or eighty (80) additional hours of vacation per year provided, however, that any employee who so elects this additional purchase will take a reduction in pay equivalent to the additional hours purchased. This additional

purchase must be accomplished over a twelve (12) month period of time, and hours purchased will be credited to the employee's vacation balance each pay period as follows:

40 hours purchased = 1.54 hours vacation accrual each pay period

80 hours purchased = 3.08 hours vacation accrual each pay period

An employee's election to purchase additional vacation shall not raise the employee's vacation balance above 240 hours. Should an employee's vacation balance reach the 240-hour cap, no further purchase will be permitted until said employee reduces their vacation balance below 240 hours.

2. Employees who do not purchase additional vacation hours under paragraph 1 above may choose to transfer compensatory time off in blocks of either forty (40) or eighty (80) hours. Employees may not transfer compensatory time if the transfer of such hours will result in the employee having more than 240 hours of accrued vacation time at the time of the transfer.
3. Employees must use all additional vacation hours purchased under this provision within twelve months following completion of the additional accrual. The provisions of section 3.5 shall apply to this additional vacation purchase.

F. Pay for Unused Vacation

Upon termination from employment with the City, every permanent or probationary employee who has served the City six (6) months or more from his/her base anniversary date shall be paid for all unused vacation earned prior to said termination date. Payment for unused vacation shall be determined by the base salary rate of pay for the position upon the date of termination. "Base Salary" shall mean an employee's straight time hourly rate of pay, and shall not include overtime, skill pay, or other special salary differential(s) or pay.

G. Holidays During Vacation

In the event one or more holidays falls within an employee's annual vacation leave, such holiday shall not be charged as vacation leave; provided, however, vacation shall be charged to those employees who receive regular holiday pay for such time.

H. Vacation as Sick Leave

A permanent employee, or probationary employee employed for a period longer than six (6) months from the base anniversary date, may use vacation leave upon the exhaustion of accrued sick leave and compensatory time, where applicable.

Section 3.3 - SICK LEAVE

A. Accrual Rate

Full-time employees shall accrue sick leave at the rate of eight (8) hours per month. Part-time employees shall accrue sick leave on a prorated basis, given the ratio of the budgeted workweek to full-time status.

B. Eligibility Requirements

Employees shall begin to accumulate sick leave as of the date of their employment into a permanent-status position, and shall be eligible to use sick leave once they have accrued sufficient leave hours. Sick leave shall be allowed only in the event of the employee's personal illness, medical appointment or disability, or the illness, disability, or death of a family member which requires their personal attendance, as defined in current section 12-2 of the Personnel Rules.

Employees shall not accrue sick leave for any time spent on unpaid leave of absence.

C. Payment for Unused Sick Leave

Payment for portions of accumulated but unused sick leave will be made as follows:

1. Retired Employees

Employees hired on or prior to October 1, 2011, retiring from City service shall receive a payment equivalent of one hundred percent of the employee's unused sick leave balance on record on the date of retirement. Employees hired after October 1, 2011, with at least ten (10) years City service shall receive a payment equivalent to one-hundred percent of the employee's unused sick leave balance on record upon retirement from City service. Employees hired after October 1, 2011 with fewer than ten (10) years City service shall not receive payment for employee's unused sick leave balance on record on the date of retirement.

2. Employees Terminating After Ten (10) Years' Service

Any employee leaving City service in good standing after ten (10) years of satisfactory service, but not retiring, shall receive a payment equivalent to one-half (1/2) of the employee's unused sick leave balance on record on the date of termination. For the purposes of this payment, service shall be calculated from the date of original appointment to a permanent-status position.

3. Employees Who Die While in Active Service

The estate of any employee who dies while in active service with the City shall be paid an amount equivalent to one hundred percent (100%) of the employee's unused sick leave balance on record on the date of death. Payment made on behalf of the deceased employee under this provision shall be paid to any person so designated in writing by the employee or the heirs of the employee, and filed with the Human Resources Office.

4. Calculation of Dollar Value of Sick Leave

For the purpose of this section, the amount equivalent to accumulated sick leave balances shall be determined by applying the employee's current rate of pay at the time of the payment for unused sick leave.

Section 3.4 - SICK LEAVE DONATIONS

Unit employees shall be allowed to donate one (1) day of sick leave (equivalent in hours to current shift assignment) to other City employees who have experienced a serious illness or injury which is not covered by City paid time or insurance. The employee who is in need of donated sick time must have exhausted all compensatory time, sick leave and vacation time, before other employees may make donations. Donation of sick leave will be available only to individuals who are absent from work for periods in excess of five (5) days, and who have not exhausted their paid time off through repeated non-related illness or injuries which were not of a serious nature.

Maximum donation of sick leave shall be one (1) day per incident per donating employee. The Personnel Officer shall determine the recipient's eligibility for donated sick leave in accordance with the provisions of this section. Any donated hours that remain in the recipient's bank after return to work from the qualifying incident, shall be pro-rated back to the individual donors' sick leave balances.

Section 3.5 - SCHEDULING OF TIME OFF

Departments shall attempt to accommodate employee requests for time off, and shall not unreasonably deny such requests. In approving such requests, consideration shall be given to both the wishes of the employee and the needs of the City service. Employees shall request time off in advance, and the employee's supervisor shall notify the employee as soon as possible of his/her approval or denial. No employee who has made a reasonable request(s) to use his/her accrued time and has been denied such use, shall lose the accrued time requested.

Section 3.6 - DRIVERS LICENSE RENEWALS

The City agrees that employees who are required as a condition of continued employment (as indicated in the job specification) to maintain a valid California Class A or B driver's license shall be granted up to two (2) hours paid time off for the purpose of completing the required medical and Department of Motor Vehicle written exams.

Such time off shall also be granted to employees in the Streets Maintenance Worker and Airport Maintenance Operations Technician classes who hold or obtain a Class A or B driver's license.

Section 3.7 - BEREAVEMENT LEAVE

Employees shall be allowed 40 hours paid time off per year for bereavement in the event of the death of one of the following: Parents, step-parents, spouse, registered domestic partner, child or step-child, grandchild, brother, sister, step brother, step sister, current parents-in-law, current

sister or brother in law, grandparent, current grandparent-in-law. In no event will an employee be eligible to receive more than a total of 40 hours per calendar year for bereavement leave

ARTICLE 4. BENEFITS

Section 4.1 - INSURANCE BENEFITS

Eligibility: For employees who work 30 hours per week or more, the City shall pay the monthly premium costs for the medical insurance as outlined below in section 4.2. For regular-status employees who work 20 hours or more but less than 30 hours per week, the City shall pay the premium cost for employee coverage only for the City's Medical Plan, subject to cost sharing outlined below in section 4.2; such employees may purchase dependent coverage by payment of the difference between the employee only and family premiums through payroll deduction in addition to any individual cost sharing. Health benefits are not available to regular employees working less than 20 hours per week.

Section 4.2 - HEALTH AND WELFARE

4.2.1 Medical and Prescription Benefits: The City's Medical Plan (previously referred to as the City's Healthcare Plan) shall be medical benefits provided under "Plan A." The City shall cover 100% of the cost of the premium for eligible employees enrolled in the City's Medical Plan (also referred to as Plan A) for Employee only coverage, Employee plus 1 coverage or Family coverage.

As an alternative to enrolling in the City's Medical Plan, eligible employees may choose to purchase one of four alternative medical plans available to City employees (Plan levels B through E). The City's contribution towards the premium cost for these plans is capped at the cost of the premium for the corresponding coverage level in the City's Medical Plan "Plan A" as described above. Employees selecting an alternate medical plan are responsible for paying the difference in the premium cost.

The summary plan descriptions and/or formal plan documents for the City's Medical Plan and other available benefit options are available from the City Human Resources Department and are hereby incorporated by reference into this agreement.

4.2.2 Medical Coverage Opt-Out Benefit: Employees who provide proof of other current medical coverage, which the City deems acceptable, and who elect to waive City medical coverage, are eligible to receive a medical coverage opt-out benefit. The medical coverage opt-out benefit shall be a one-time cash payment paid during the first pay period in March of each year that they opt out. The total one-time medical coverage opt-out benefit is:

Employee Only:	\$ 3,000/year
Employee +1 or Family:	\$ 4,000/year

The medical coverage opt-out benefit amount shall be paid as a taxable cash benefit, and shall not be considered pensionable compensation. Eligible employees who elected to receive the medical coverage opt-out benefit and who later have an Eligible Qualifying Event, as defined by the City's Medical Plan, and choose to enroll in one of the medical

and prescription benefit options described above, shall be required to re-pay the medical coverage opt-out benefit on a prorated basis.

For new hires starting after January 1 of each year, the opt-out benefit will be pro-rated for the calendar year and payment will be paid in the pay period following ninety (90) days of employment.

- 4.2.3 Dental Plan: Employees have the option to purchase, at their own expense, dental coverage at the rates outlined in the City's summary of medical and prescription plan document. The City will not make any contribution towards the cost of dental coverage.
- 4.2.4 Vision Plan: Employees have the option to purchase, at their own expense, vision coverage at the rates outlined in the City's summary of medical and prescription plan document. The City will not make any contribution towards the cost of vision coverage.
- 4.2.5 Flexible Savings Account: The City provides employees with the option to elect to participate in a Flexible Savings Account ("FSA"), administered in accordance with the Internal Revenue Code. Employees may use these programs to set aside money on a pre-tax basis pay for eligible health care related costs.
- 4.2.6 Health Reimbursement Account: Employees with an existing health reimbursement account will not receive any City contribution to this account. Any remaining funds in the account will be available for reimbursement of expenses in accordance with IRS regulations until exhausted.
- 4.2.7 Life Insurance: For the term of this agreement, the City will purchase a life insurance benefit for each employee providing \$50,000 coverage.

Employees have the option to purchase at their expense by payroll deduction up to an additional \$50,000 of life insurance upon initial enrollment in the plan (date of hire) without evidence of insurability.

- 4.2.8 Long-Term Disability: The employees of this Unit shall be covered by the City Long-Term Disability Program. Premiums for this coverage shall be paid by the City.
- 4.2.9 Spousal Employment Health Benefits: Employees' spouses must elect employer sponsored group medical coverage from their own employers when offered at an employee contribution cost for single coverage of no more than \$75.00 per month. Employees' spouses who obtain their own-employer's health benefit may remain on the City's medical benefit in a secondary capacity. Employees will be required to confirm in writing their spouses' eligibility for employer medical coverage at least annually.
- 4.2.10 Legislative Changes: In the event legislation changes such that employer financed universal health is required through the State or Federal government, there will be an immediate re-opener to discuss the impact of the legislation on the current City plan.

- 4.2.11 Application of Medical Insurance Plan: In the event provisions of this section contradict those included in the Medical Plan (Plan Document), the terms of the Medical Plan shall prevail.

SECTION 4.3 RETIREE MEDICAL AND TRANSITIONAL RETIREE PLAN

4.3.1 Definition of Terms

- a. “Continuation of Coverage -- Eligible Employee” means any regular full-time benefited employee hired by the City before January 1, 2008, with a minimum 25 years of Continuous City Service on or before the effective date of the Successor MOU who actively participates in and contributes to the CalPERS Retirement System, and who will be entitled, when eligible, to receive a retirement allowance from CalPERS.
- b. “Alternative Transitional Retiree Medical Benefits -- Eligible Employee” means any regular full-time benefited employee with a minimum 10 years of Continuous City Service who actively participates in and contributes to the CalPERS Retirement System, and who will be entitled, when eligible, to receive a retirement allowance from CalPERS.
- c. “Retired Employee” or “Retiree” means a regular full-time benefited City employee hired before January 1, 2008 who retires from the City and thereafter receives a retirement allowance from CalPERS. Retirement includes service retirement or disability retirement from the City of South Lake Tahoe.
- d. “Continuous City Service” means continuous regular full-time benefited City employment for calculating length of continuous service and service credit. Part-time (non-benefited) employment and approved unpaid leaves will not be used in calculating length of continuous service under this section. Any separation from City employment will void any previous accrual towards length of continuous service for purposes of this section, unless otherwise waived by the City Manager in writing and due to extenuating circumstances. Layoffs with subsequent restoration and approved City paid leaves do not constitute separation from City service (and therefore will not void any previous accrual towards length of continuous service) for the purpose of this section.

4.3.2 Alternative Transitional Retiree Medical Benefit

- a. Upon the effective date of this MOU an Alternative Transitional Retiree Medical Benefits -- Eligible Employee, as defined above in § 4.3.1.b., shall receive a defined contribution provided through a Retiree Health Savings Account (RHSA) (or substantially similar individual investment account in the Eligible Employee's name). This Alternative Transitional Retiree Medical Benefit is the default plan and will apply to all Eligible Employees unless: (1) the Eligible Employee is a Continuation of Coverage -- Eligible Employee, as defined above in § 4.3.1.a. above, and (2) the Eligible Employee files the approved written Notice of Election and complies with all requirements under § 4.3.3, below.

- b. Eligible Employees shall receive the following contribution, based on their respective date of retirement and years of service under the vesting schedule.

Alternative Transitional Retirement Medical Benefits

Year of Retirement	"Maximum Contribution"(*)	
	EE+	Single
Between October 1, 2014 - December 31, 2014 + subsequent years	\$12,000	\$7,000
Between January 1, 2015 - December 31, 2015 + subsequent years	\$10,000	\$5,500
Between January 1, 2016 - December 31, 2016 + subsequent years	\$8,000	\$4,000
Between January 1, 2017 - December 31, 2017 + subsequent years	\$6,000	\$2,500
Between January 1, 2018 - December 31, 2018	\$4,000	\$1,000

Benefit will be prorated by the month of retirement (eg: January would be 100%, July would 50% of contribution.

*Vesting Schedule for Contribution

<u>Years of Service with the City</u> <u>(from date of permanent hire)</u>	<u>% of Contribution</u>
25 years	100%
20 years	75% plus 5% for each additional year
15 years	50% plus 5% for each additional year
10-15 years	25%
Less than 10 years	0%

4.3.3 Continuation of Coverage Option: Only those Continuation of Coverage -- Eligible Employee's, as defined above, who make an election to retire from the City no later than 90 days after the effective date of the this MOU, or December 31, 2014, which ever date occurs first, and who retire no later than September 31, 2016, are eligible for the Continuation of Coverage option set forth in this § 4.3.3.

- a. An Eligible Employee under this §4.3.3 is defined above in §4.3.1.a.
- b. An Eligible Employee must formally submit his or her election to retire from the City of South Lake Tahoe within 90 days following the effective date of the this MOU Agreement or December 31, 2014, whichever date occurs first.
- c. The Eligible Employee's separation of service retirement date must be no later than September 31, 2016, and prior to receipt of the third installment of the salary increase payable on October 1, 2016.

- d. The Eligible Employee must elect, at the time of retirement, one of the following two options:
- (i) Upon retirement, which must occur no later than September 31, 2016, continue to participate in the "City's Medical Plan" for medical benefits only (exclusive of dental, vision, or any other medical/health benefits that may be offered to employees), until the age of 65 (Medicare age) or no more than 120 months (ten years post retirement), whichever date occurs first; OR
 - (ii) Accept the City's 25-Years of Service Transitional Retiree Health Benefit (a defined contribution) as described below:
 - Within 30 days of date of the Eligible Employee's retirement separation from the City, the City shall contribute \$12,000 into the Retiree Health Savings Account (RHSA). Each year thereafter, for four continuous years, within 30 days of the annual anniversary date of Eligible Employee's retirement separation from the City, the City shall contribute the following into the RHSA:
 - Within 30 days of the first anniversary (12 months) from the date of Eligible Employee's retirement separation from the City, the City shall contribute \$10,000 into the RHSA.
 - Within 30 days of the second anniversary (24 months) from the date of Eligible Employee's retirement separation from the City, the City shall contribute \$8,000 into the RHSA.
 - Within 30 days of the third anniversary (36 months) from the date of Eligible Employee's retirement separation from the City, the City shall contribute \$6,000 into the RHSA.
 - Within 30 days of the fourth anniversary (48 months) from the date of Eligible Employee's retirement separation from the City, the City shall contribute \$4,000 into the RHSA.
- e. Eligible Employees electing to remain in the City's Medical Plan (as described in §4.3.3.d.(i) above) must complete and submit the Notice of Election to the HR Manager, in writing, within 90 days of the effective date of the this MOU of their decision that upon retirement they (1) elect to remain on the City's Medical Plan, which remains subject to change and/or may be eliminated at any time at the City's sole discretion or (2) elect to accept the 25-Years of Service Transitional Retiree Health Benefit described in §4.3.3.d.(ii). Eligible Employees failing to file the approved written Notice of Election with the HR Manager within 90 days of the effective date of the this MOU or December 31, 2014, whichever date occurs first, will by definition and default be granted upon retirement the Alternative Transitional Retiree Medical Benefits (see section §4.3.2), which is distinctly different than the 25-Years of Service Transitional Retiree Health Benefit described in §4.3.3.d.(ii).

- f. Provided the City retains an employee medical plan, the City will cover the monthly medical plan premium for the Eligible Employee who elects to remain on the City's Medical Plan upon retirement as described in §4.3.3.d.i. above (shall not be a cash payment or have a cash equivalent); coverage shall be for the (Retired) Eligible Employee plus one dependent, under the terms and conditions set forth herein. The Eligible Employee/Retiree will be required to pay increases in monthly premiums above the monthly premium rate of the year in which they retire, at their own expense.
 - (i) The amount of the premium paid by the City will be reduced by the amount the City contributed to a defined contribution for the Eligible Employee between October 1, 2014 and September 31, 2016, if the Eligible Employee participated in the Defined Contribution Plan. The reduction in premium is intended to eliminate "double benefit" coverage (Retiree Medical Plan and Defined Contribution).
- g. Benefits will wholly and unequivocally expire should the City's Medical Plan be terminated, or upon the Eligible Employee/Retiree reaching age 65 (or becoming eligible for Medicare) or after ten years (120 months) of receipt of the benefit, whichever occurs first.
- h. Eligible Employees who elect to continue to participate as a member of the City's Medical Plan upon retirement (see previously, §4.3.3.d.(i) recognize that the City continues to make no guarantee of medical/health plan design changes, premium rates and raises, deductibles, or the expectation of benefits; the City's Medical Plan is subject to change and/or may be eliminated at any time, which is the same dependency the City's Medical Plan has at this time.

4.3.4 Retiree Medical /Health Care:

- a. With the exception of those benefits described in Sections 4.3.2 and 4.3.3 above, all retiree health benefits contained in prior MOUs are hereby eliminated for employees retiring on or after the effective date of this MOU. Regardless of the employee's hire date, the City shall not provide any retiree health benefits, including medical, dental, and/or vision benefits, to employees retiring on or after the effective date of this MOU, and these employees shall have no right to any future City sponsored medical, dental or vision benefits, or any City contributions to such coverage, except for the option to purchase at their own expense, the City Medical Plan, as set forth in Section 4.3.4(b) below.
- b. Upon retirement, employees retiring under this MOU may purchase, at their own expense, the City Medical Plan, subject to applicable plan eligibility criteria and provided the City has such a plan. However, retirees are required to enroll in Medicare in the first month for which they become Medicare eligible. They may also purchase any of the available optional coverages offered to employees. The premium for retirees may be different than the premium for employees. The City makes no guarantee of rates, premiums or coverages that may or may not be available during an

employees' retirement. The City shall make no contribution or payment towards any of these Plans. Notwithstanding this paragraph, retirees are not guaranteed any vested right to enroll the City Medical Plan or any other optional coverage offered to employees, and the City reserves the right to change this benefit or its availability to retired employees at any time. Additionally, the availability to purchase, at own expense, the City Medical Plan ceases upon becoming eligible for Medicare (generally upon reaching age 65).

4.3.5. Retiree Medical Saving Account: The City's contributions to a Retiree Medical Savings Account (RMSA) for Association members, which began on January 1, 2008, are hereby terminated. All funds in the City's RMSA for Association members are hereby directed to be transferred to the City's Other Post Employment Benefit trust.

Section 4.4 - RETIREMENT BENEFITS

4.4.1 Definitions:

- a. Retired Employee means: an employee who retires from the City of South Lake Tahoe under the provisions of the Public Employees' Retirement System.
- b. New Member means:
 - (i) A unit member who becomes a member of CalPERS for the first time on or after January 1, 2013 and who was not a member of any other public retirement system prior to that date.
 - (ii) A unit member who becomes a member of CalPERS for the first time on or after January 1, 2013 and who was a member of another public retirement system prior to that date, but who was not subject to reciprocity under Gov. Code § 7522.02(c) and related CalPERS reciprocity requirements.
 - (iii) A unit member who was an active member in CalPERS with another employer and who, after a break in service of more than six (6) months, returns to active membership in CalPERS with the City.
- c. Classic Member means: a unit member who entered into membership with a qualifying public retirement system on or before December 31, 2012 who do not meet the definition of "New Member" under Government Code § 7522.04(f) and related CalPERS membership requirements. Status as a classic member shall be determined by CalPERS.

4.4.2 Retirement Plan for Employees Hired On or Before April 21, 2012 -

Employees hired on or before April 21, 2012 in this unit shall receive the retirement benefit of 2.7% at 55.

For purposes of determining a retirement benefit, final compensation for unit members covered by this Section 4.5.2 shall mean the highest annual average pensionable compensation earned during 36 consecutive months of service.

Each bargaining unit member covered by this Section 4.5.2 shall pay through payroll deduction 100% of the required bargaining unit member contribution, which is 8%.

4.4.3 Retirement Plan for Employees Hired After April 21, 2012 but Before January 1, 2013, and Classic Members, as Defined by CalPERS

All employees hired after April 21, 2012 but before January 1, 2013 and classic members as determined by CalPERS, shall receive the retirement benefit of 2% at 55.

For purposes of determining a retirement benefit, final compensation for unit members covered by this Section 4.5.3 shall mean the highest annual average pensionable compensation earned during 36 consecutive months of service.

Each bargaining unit member covered by this Section 4.5.3 shall pay through payroll deduction 100% of the required bargaining unit member contribution, which is 7%.

4.4.4 Retirement Plan for Employees Hired On or After January 1, 2013, Who Are Not Classic Members

All employees hired on or after January 1, 2013 who are new members shall receive the retirement benefit of 2% at 62.

For purposes of determining a retirement benefit, final compensation for unit members covered by this Section 4.5.4 shall mean the highest annual average pensionable compensation earned during 36 consecutive months of service.

As required by Government Code §7522.04(g), unit members covered by this Section 4.5.4 shall pay, through payroll deductions, 50 percent (50%) of normal costs.

The City shall notify members under this section 4.5.4 of the monthly contribution for the next fiscal year in the first quarter of the calendar year, or as soon as reasonably practicable, following CalPERS publication of the required contribution rate.

Employee contributions under sections 4.4.2, 4.4.3, and 4.4.4 shall be made in accordance with Section 414.h(2) of the IRC .

Section 4.5 - EMPLOYEE ASSISTANCE PROGRAM

The City shall continue to provide an employee assistance program to provide psychological counseling services to all unit employees and their dependents. The benefits provided under this program shall be as described in the program description available from Human Resources.

Section 4.6 - EMPLOYEE WELLNESS AND PHYSICALS

A. Physical Exams

For employees required to maintain Class A or B drivers licenses the physical shall include all DMV required exams and completion of DMV required forms. Employees required by O.S.H.A. regulations to have specific physicals related to their employment may have those tests incorporated into this physical exam, but in no event will be eligible for two physical exams at City expense.

Employees may elect to have their periodic medical examination conducted by a physician other than the regular physician designated by the City. If this occurs, the City shall reimburse the actual cost of the physical to the employee, but such reimbursement shall not exceed the amount which would have been paid to the City selected physician.

The results of this medical exam shall be sent by the physician to the Human Resources Manager. However, in order to protect the confidential information and the patient/physician relationship, such information shall not be public, and shall be maintained in a separate medical file. The results of the examination shall only include information related to the capability of the employee to meet the requirements of the position as determined by the physician.

The City shall incur no further responsibility for the employee's compliance neither with the advice or suggestions of the physician, nor for any additional treatment expenses not already covered by other employee benefits.

B. Employee Use of Recreation Center

Employees of this unit may utilize the Recreation Center under the following conditions:

1. Employees must purchase a three-month, unlimited, usage card from the Recreation Division.
2. Cost of the Card is \$45
3. It is understood that employees who purchase said card shall not be eligible for reimbursement under the City Wellness Program, and that the Card may be used only by the employee.
4. Said card may be purchased from the Recreation Division upon presentation of valid City employee identification.
5. Employees may utilize the Recreation Center during times when the Center is open to the general public. In addition, employees of the unit may utilize the gymnasium and weight room facilities between the hours of 6 a.m. and 8 a.m. provided:
 - a. A Recreation employee is on duty during those hours to provide access at the facility;

- b. Use of the facility during said hours does not interfere with the activities of maintenance employee(s); and
- c. Employees must leave the facility in an orderly and clean condition.

Should employees not comply with the above, the Recreation Manager may restrict employee use of the facility during hours of 6 a.m. and 8 a.m.

C. Nicotine Use Restrictions

Employees shall be prohibited from using nicotine on duty except during authorized rest periods.

Section 4.7 - SHOP TOOLS

The City agrees to continue the replacement or purchase of new required personal tools in accordance with the following procedures. Personal tools shall mean tools owned by an employee which are used by employees in the performance of his/her job duties.

Requests for replacement or purchase of new required tools will be made by requisition requests to the Public Works Director. Requisition requests will include a description of the circumstances leading to the request. Nothing in this section will require or obligate the City to expend or commit to expend funds beyond that budgeted by the City for this purpose.

Section 4.8 - UNIFORMS

- A. The City agrees to continue the current uniform provisions and cleaning service for the following maintenance employees: street maintenance, airport maintenance, building crafts, motor pool, parks, and police maintenance.
- B. The City provides a uniform allowance to police records employees, in the classifications of Senior Police Records Technician and Police Records Technician who are required to wear standardized clothing in the performance of assigned duties. These employees shall receive a uniform allowance of \$575 per year.

Police personnel are eligible for payment of uniform allowance only after completion of the initial probationary period.

Damaged Uniforms and Equipment - Uniforms and required equipment for Police Department employees if damaged in the line of duty and not due to the negligence or willful misconduct of the member concerned will be replaced by the City. Such damaged uniforms or equipment will be turned in by the member concerned to his immediate supervisor with a written request for replacement. The request shall briefly state the facts and circumstances which caused the uniform or equipment to be damaged.

- C. Employees not provided with uniforms as noted under paragraph A or B shall wear professional attire that is appropriate to their classification, promotes safe working, and reflects positively on the City during public interactions

Section 4.9 - EMPLOYEE TRAINING

A. Tuition Reimbursement

The City shall reimburse employees up to \$1000 per fiscal year for expenses they have incurred for tuition and books in taking an approved college or university level course. Only courses, which relate to the employee's current position with the City or would prepare the employee for advancement within that career field, will be considered as eligible for tuition reimbursement. Reimbursement shall not be made until employee submits documentation of expenses and successful completion of the course. In order to be eligible, an employee must submit a plan by May 1st for the upcoming budget year. Late requests may be approved at the discretion of the Department Head.

B. Training Courses

Upon approval of the Department Head, employees may be authorized to attend job-related training programs during regular working hours. When the needs of the City services so require, the appointing authority may direct an employee to attend a meeting or conference as part of the professional training required for the position. When such attendance is authorized or directed, payment for training-related expenses shall be paid by the City in accordance with authorized travel expense reimbursement policy, and shall be distinct from the compensation paid for time worked.

C. Travel time

Time spent traveling to and from authorized training programs shall be paid in accordance with the Fair Labor Standards Act.

Section 4.10 – MILEAGE ALLOWANCE AND REIMBURSEMENT

Employees required to travel on City business will be assigned a City car, have a City car made available to them, or be authorized by the appointing authority in accordance with city policies to be reimbursed at the standard IRS rate, which meets the substantiation requirements, that is in effect at the time the mileage is driven for actual miles driven.

Section 4.11 - PERSONAL PROTECTION EQUIPMENT

Unit members may request reimbursement for items needed for the safe accomplishment of the unit member's job duties. These items may include special weather gear including shoes, coats, sun apparel, and winter "shoe chains" or other safety items as deemed necessary by the employee and his/her supervisor. In no event will any single employee receive more than \$300 worth of

reimbursement per fiscal year. All requests for reimbursement are subject to approval by the employee's division manager and department head and may be appealed under the Grievance Procedures of this MOU only through Step III (City Manager level).

ARTICLE 5. DISCIPLINARY APPEALS PROCEDURE

Section 5.1 - APPLICATION

The disciplinary appeals procedure described herein shall be available to all permanent status employees covered by this Memorandum of Understanding. It shall not be applicable to probationary employees.

Section 5.2 - DEFINITION

Disciplinary action may consist of written reprimand, reduction in pay, suspension without pay, demotion, or discharge.

Suspension without pay shall be scheduled on consecutive days and shall not exceed a total of thirty (30) consecutive working days for any one suspension. In no event shall such suspension be imposed against vacation and/or compensatory time off previously earned by an employee.

Section 5.3 - REPRESENTATION / NO REPRISAL

An employee may be represented by individual(s) of his/her choice at any and all stages of this appeal process.

When an employee whom the City is proposing to discipline or whom the City has disciplined has identified a representative or representatives, such representative(s) shall be notified of formal actions taken in the disciplinary process.

In the case of disciplinary actions consisting of written reprimands or suspensions without pay for less than three (3) days, employees shall be given notification sufficiently in advance to allow a representative to be present during the presentation of the disciplinary document.

No employee shall be subject to restraint, coercion or reprisal as a result of filing an appeal under this procedure.

Section 5.4 - TIME LIMITS

Failure of the employee to file an appeal within the required time periods specified for any level of this procedure shall constitute an abandonment of the disciplinary action appeal. Failure of the City to act within the required time periods shall result in an automatic advancement of the appeal to the next step. Time limits specified in this procedure may be extended by mutual written agreement between the employee or his/her representative and the City.

The term, "submit to", as used in this procedure shall mean the actual delivery of the document to the addressee's normal place of business.

Section 5.5 - WRITTEN REPRIMANDS AND SUSPENSIONS WITHOUT PAY OF LESS THAN THREE DAYS

The "pre-action" requirements of these procedures shall not apply to written reprimands or to disciplinary suspensions without pay of less than three (3) days.

An employee who receives two (2) or more written reprimands on the same or related issue in any twelve (12) month period, or a disciplinary suspension without pay of less than three (3) days, may appeal such actions to the City Manager, in accordance with the procedures set forth in the subsequent paragraph "City Manager Review." The City Manager's decision on such actions shall be final. Employees may also file a written response to any written reprimand, and such response shall be filed in the employee's personnel file.

Upon request by an employee, written reprimands which have been in an employee's file for two (2) or more years will be removed if no subsequent disciplinary actions have occurred.

Section 5.6 - PRE-ACTION PROCEDURE

A. Action Proposed by Department Head

Prior to imposing disciplinary action involving a suspension without pay of three (3) or more working days, reduction in pay, demotion, or discharge, the department head shall first provide the employee an advance written notice of the proposed action, including but not limited to the following:

1. The specific disciplinary action being proposed.
2. The specific grounds and particular facts upon which the action is based.
3. Copies of all documents and materials upon which the action is based, or an offer that copies will be provided upon request.
4. Notification that the employee has a right to respond to the charges either orally, in writing, or both, prior to implementation of the discipline, and that such response must be made to the department head within five (5) working days of the date the employee receives the notice.

B. Pre-Action Employee Response

The employee or his/her representative shall have the right to respond within five (5) working days to the proposed discipline verbally, and or in writing prior to the discipline being imposed. The City shall appoint a Skelly Officer who will meet with the employee and/or Union representative, listen to arguments and receive documents presented by the employee and/or representative.

The department head and/or Skelly Officer shall issue a written decision on the proposed disciplinary action within five (5) working days of hearing or receiving the employee's response. Copies of this decision shall be sent to all parties directly involved in the discipline, including the supervisor or manager, the employee, his/her representative, and the Human Resources Manager.

Section 5.7 - POST-ACTION APPEAL

A. City Manager Review

The employee has the right to submit an appeal of the department head's decision to the City Manager within ten (10) working days after receipt of the written decision. Any such appeal must be in writing, explaining the action being appealed, the reasons for the appeal, and the action the employee desires be taken.

The City Manager may appoint a personal designee, who shall not be the concerned department head or others directly involved in the disciplinary action, to hear the appeal. The City Manager or his/her designee shall set a meeting date, which shall not be more than fifteen (15) working days after receipt of the appeal by the City Manager.

The appellant, the department head, the City Manager or his/her designee shall attend the meeting and present oral and/or documentary evidence relevant to the disciplinary action. The City Manager or his/her designee may also conduct such other independent investigation of the charges and discipline, as he/she deems necessary.

Within ten (10) working days following the hearing, the City Manager or his/her designee shall issue a written decision to all parties involved. The designee has the authority to affirm, repeal, or modify the disciplinary action taken.

The City Manager's review may be waived by mutual agreement between the appellant and the City.

B. Hearing Officer/Arbitration

The employee has the right to appeal the decision of the City Manager's designee by submitting to the City Manager a written request for a hearing by an outside hearing officer. Such appeal must be submitted to the City Manager within ten (10) working days after receipt of the designee's decision.

The outside hearing officer shall be selected by the Human Resources Manager and the appellant or his/her representative from a list of qualified arbitrators provided by the State Mediation and Conciliation Service. The City and the appellant or his/her representative shall alternately strike names from the list. The last name remaining shall be the hearing officer. The party striking first shall be determined by lot.

Upon mutual agreement, and with the consent of the hearing officer, the City and the grievant may submit written materials to the hearing panel in lieu of holding a hearing.

All interested parties shall be notified in writing by the Human Resources Manager of the date, time, and place of the hearing at least ten (10) working days prior to the hearing.

The hearing shall be conducted under the following rules:

1. All hearings shall be private; provided, however, that the appellant may request a hearing open to the public.
2. Proceedings of the hearing shall be recorded but not transcribed except at the request of either party. The party requesting the transcript shall bear the expense involved unless shared expenses are agreed to by both parties. Should either party request transcription, a copy shall be made available to the other party.
3. Either the City or the appellant may call any individual as a witness and/or the hearing officer shall (as legally authorized by City Council action) issue subpoenas by request of either party. If a witness(es) called is a City employee, the City agrees to grant paid release time from work for the period of testimony. The appellant shall appear in person at the hearing, unless physically unable to do so.
4. The hearing need not be conducted in accordance with technical rules relating to evidence and witnesses, but hearings shall be conducted in a manner most conducive to determinations of the truth.
5. Each party shall have the following rights: To be represented by legal counsel or other person of his/her choice; to call and examine witnesses; to introduce evidence; to cross-examine opposing witnesses on any matter relevant to the issues; and to rebut the evidence against him/her.
6. Oral evidence shall be taken only on oath or affirmation.
7. The hearing officer shall determine relevancy, weight, and credibility of testimony and evidence, and shall base his/her findings on the preponderance of evidence.
8. The hearing officer shall render his/her findings in writing as soon after the conclusion of the hearing as possible.
9. The hearing officer may sustain or reject any or all of the charges filed against the employee and/or may sustain, reject, or modify the disciplinary action invoked against the employee.

A copy of the hearing officer's decision shall be furnished to all parties directly involved in the disciplinary appeal.

The hearing officer's fees and expenses shall be borne equally by the appealing party and the City, including the cost of transcription if required by the hearing officer. Each party shall bear the cost of its own presentation, including preparation and post hearing briefs.

The decision of the hearing officer shall be binding upon both parties to the appeal unless either party chooses to appeal to the Superior Court under CCP 1094.5.

ARTICLE 6. GRIEVANCES

Section 6.1 - APPLICATION

To establish a mutually satisfactory and timely method of settlement of grievances, the following procedure is available to all employees covered by this Memorandum of Understanding.

Section 6.2 - DEFINITION

A grievance is defined as an alleged violation, misinterpretation or misapplication of the provisions of this Memorandum of Understanding, or other rules and regulations adopted by the City Council, which govern personnel practices and working conditions.

No proposals to add to, amend, or terminate a memorandum of understanding nor any issue arising out of or in connection with such a proposal may be considered under this grievance procedure. Employees may not appeal disciplinary actions through this grievance procedures.

No complaint concerning the payment of compensation to an employee shall be considered under this grievance procedure, unless it alleges a specific violation of the provisions of this Memorandum of Understanding or the City Personnel Rules. No adjustment of compensation resulting from a grievance under this procedure shall be retroactive for more than one (1) year from the date upon which the complaint was filed.

Section 6.3 - REPRESENTATION/NO REPRISAL

A grievant may be represented by individual(s) of his or her choice in preparing and presenting a grievance at any stage of this procedure.

Where the grievant has identified a representative or representatives, such representative(s) shall be notified of all formal actions occurring on the grievance.

Where the grievant has not identified the Union as their representative, the Union shall be notified of the grievance if such grievance reaches Step III. The Union shall have an opportunity to comment on all grievances and proposed solutions at the Step III level. No grievance shall be resolved contrary to the provisions of this agreement without the concurrence of the Union.

No employee shall be subject to restraint, coercion, or reprisal as a result of filing a grievance under this procedure.

Section 6.4 - TIME LIMITS

Failure of the employee or his/her representative to act within the required time periods specified for any level of this procedure shall result in a resolution of the grievance at the last step pursued. Failure of the City to act within the required time periods shall result in an automatic advancement of the grievance to the next step of the procedure. Time limits specified in this procedure may be extended by mutual written agreement between the grievant or his/her representative and the City.

The terms "submitted to" as used in this procedure shall mean the actual delivery of the document to the addressee's normal place of business.

Section 6.5 - PROCEDURES

Every attempt will be made by the parties to settle the issue at the lowest possible level. Only upon mutual written agreement between the parties involved may any stage of this grievance procedure be waived.

Step I - Department Head

Within thirty (30) days following knowledge of the event or action on which the grievance is based, the employee or his/her representative shall notify his/her department head in writing of the nature of the grievance.

The written grievance shall contain the following information:

1. The name of the grievant(s).
2. The specific nature of the grievance.
3. The date, time, and place of the event or action on which the grievance is based.
4. The provision(s) of the agreement or rule(s) alleged to have been violated.
5. The action the grievant believes will resolve the grievance.
6. The name of the representative(s), if any, chosen by the grievant to participate in the grievance procedure.

The department head shall investigate the issues, meet with the grievant or his/her representative, and attempt to reach a satisfactory resolution of the grievance. No later than ten (10) working days after receipt of the grievance, the department head shall issue a written response. Copies of the response shall be sent to all parties involved in the grievance, including the employee, the employee's representative(s), and the Human Resources Manager.

Step II - City Manager

If the grievant is not satisfied with the resolution presented by the department head, he/she may appeal that decision to the City Manager. Such appeal must be received in writing by the City Manager no later than ten (10) working days after receipt of the department head's response. The written notice of appeal shall include the resolution sought, a copy of the Step I grievance, and the Department Head's response. If the City Manager believes the grievance is incomplete,

he/she shall notify the grievant and his/her representative, and the grievant shall be given five (5) working days to perfect the appeal.

The City Manager may appoint a designee, who shall not be the concerned department head, to hear the grievance.

The City Manager or his/her designee shall set a meeting date, which will not be more than fifteen (15) working days after receipt of the appeal by the City Manager. The grievant, the concerned department head, and any other parties requested by the City manager or designee shall attend the meeting and present oral or documentary evidence relevant to the grievance. The City Manager or his/her designee may also conduct such other independent investigation of the grievance, as he/she deems necessary.

Within ten (10) working days following the meeting, the City Manager or his/her designee shall issue a written decision to all parties directly involved in the grievance.

Step III - Hearing Officer/Arbitration

If the resolution presented by the City Manager or designee is not satisfactory to the grievant, the grievant may, within ten (10) working days from receipt of the decision, submit a written request to the City Manager for a hearing by an outside hearing officer (Arbitrator).

The outside hearing officer shall be selected by the Human Resources Manager and the grievant or his/her representative from a list of qualified arbitrators provided by the State Mediation and Conciliation Services. The City and the grievant or his/her representative shall alternately strike names from the list. The last name remaining shall be the hearing officer. The party striking first shall be determined by lot.

Upon mutual agreement and with the consent of the hearing officer, the City and the grievant may submit written materials to the hearing officer in lieu of holding a hearing.

If the grievant is not represented by the Union, the Union shall have standing at any hearing as a party of interest, but shall not be responsible for costs of the hearing officer or any other related costs..

All interested parties shall be notified by the Human Resources Manager in writing of the date, time, and place of the hearing at least ten (10) working days prior to the hearing.

The hearing of the grievance shall be conducted under the following rules:

- a.) All hearings shall be private; provided, however, that the grievant may request a hearing open to the public.
- b.) Proceedings of the hearing shall be recorded but not transcribed, except at the request of either party. The party requesting the transcript shall bear the expense involved unless shared expenses are agreed to by both parties. Should either party request transcripts, a copy shall be made available to the other party.

- c.) Either the City or the grievant may call any individual as a witness, and/or the hearing officer shall (as legally authorized by City Council action) issue subpoenas by request of either party. If a witness(es) called is a City employee, the City agrees to grant paid release time from work for the period of testimony. The grievant shall appear in person at the hearing, unless physically unable to do so.
- d.) The hearing need not be conducted in accordance with technical rules relating to evidence and witnesses, but hearings shall be conducted in a manner most conducive to determinations of the truth.
- e.) Each party shall have the following rights: To be represented by legal counsel or other person of his/her choice; to call and examine witnesses; to introduce evidence; to cross-examine opposing witnesses on any matter relevant to the issues; and to rebut the evidence against him/her.
- f.) Oral evidence shall be taken only on oath or affirmation.
- g.) The hearing officer shall determine relevancy, weight, and credibility of testimony and evidence, and shall base his/her findings on the preponderance of evidence.
- h.) The hearing officer shall render his/her findings in writing as soon after the conclusion of the hearing as possible.
- i.) The jurisdictional authority of the hearing officer shall be confined exclusively to the interpretation of the explicit provisions or rules, which may be at issue in the grievance. The hearing officer shall have no authority to add to, delete from, alter, or amend any provision of this agreement or of any other City rules, or impose on any party a limitation or obligation not exclusively provided for in this agreement or other City rules, or to alter any salary rate or structure.

A copy of the hearing officer's decision shall be furnished to all parties to the grievance.

The hearing officer's fees and expenses shall be borne equally by the grievant and the City, including the cost of transcription if required by the hearing officer. Each party shall bear the cost of its own presentation including preparation and post hearing briefs.

The decision of the hearing officer shall be binding upon both parties to the appeal unless either party chooses to appeal to the Superior Court under Code of Civil Procedures section 1094.5..

ARTICLE 7. LAYOFFS

SECTION 7.1 - DEFINITIONS

CLASSIFICATION:	A job title and description approved by the City Council, which includes a set of job duties and minimum requirements and qualifications.
CLASSIFICATION SERIES:	A series of classifications which are related to each other as set forth in Appendix B of this MOU.
DEMOTION:	Placement in a classification whose top salary is at least 5% less than the top salary of the employee's previous classification.
FULL TIME:	36 or more hours per week.
HIGHER CLASSIFICATION:	A classification having a higher maximum salary.
LAYOFF:	A lay off is effective on the day and at the time that an employee's service to the City is terminated.
LOWER CLASSIFICATION:	A classification having a lower maximum salary.
POSITION:	A particular set of job duties normally assigned to one employee and established by the City Council; each position is assigned to a Classification.
SENIORITY:	<p>An employee's full time service calculated from the employee's initial regular appointment to a position in the General-Public Works or Administrative-Confidential bargaining units.</p> <p>An employee who leaves a classification in the General-Public Works or Administrative-Confidential units and any employee who the City reinstates to a position in the General - Public Works and Administrative-Confidential Units within:</p> <ul style="list-style-type: none">a) one year from resigning or retiring in good standing from a position in the General-

Public Works or Administrative-
Confidential Units; or

- b) two years of being laid off or demoted in lieu of layoff from a position in the General-Public Works or Administrative-Confidential Units shall have the seniority points earned before leaving a classification in the General-Public Works or Administrative-Confidential Units added to the seniority points they earn after returning to a classification within the General-Public Works or Administrative-Confidential Units to establish their total seniority points. Only the period of time the employee occupies in a position within a classification in the General-Public Works or Administrative-Confidential Units shall count towards an employee's seniority for layoff.

TRANSFER

Placement in a classification whose top salary is within 5% of the top salary of the employee's previous classification. The employee shall be placed on the salary step nearest the employee's previous salary that does not provide for an increase in salary.

SECTION 7.2 - ORDER OF LAYOFFS

Employees shall be laid off in the following order:

- A. All extra help, temporary, limited term, seasonal and provisional employees in the same department and within the same class shall be laid off before any regular employee is laid off. If a permanent employee is laid-off, his/her duties will not be added to the assigned duties of a temporary/extra help employee.
- B. The layoff of regular employees shall be in the order in which their names appear on the layoff list for the affected classification, as prepared by the Human Resources Department, with those persons having the least number of points of seniority credit being laid off first.

SECTION 7.3 - LAYOFF LIST COMPUTATION

- A. Every Layoff list shall be established by the Human Resources Department based on information contained in the Human Resources Department Records for each classification.
- B. Regular employees who held seasonal, limited term or provisional status prior to permanent appointment shall receive seniority credit for status only if the service was continuously compensated employment prior to appointment to a permanent position. One point of seniority credit shall be given for each full calendar month of full-time service (one month of full time service is 173.3 hours) in the General-Public Works or Administrative-Confidential Units. Pro rata credit shall be given where the employment is less than full-time and/or the employment is less than a full month. In the event two or more employees have the same number of seniority points, such tie shall be broken by lot.

SECTION 7.4 - LAYOFF PROCESS

- A. The City Council shall determine the need for layoff by reducing the number of positions in a department or departments and classification or classifications.
- B. The Human Resources Department shall create a citywide seniority list for each classification in which the City Council has reduced the number of authorized positions.
- C. The Human Resources Department shall notify in writing each employee whose position has been eliminated by the City Council of the Council's decision. This notice shall specify the date on which the employee's position is to be eliminated and that the employee is to be laid off on that date or 30 calendar days after receipt of this notice whichever is later. This notice shall include whether or not the employee has the option of displacing a less senior employee in his/her series or of filling a funded, unfilled position.
- D. Any employee receiving a layoff notice, as provided for in paragraph C, shall have the

following rights:

- (1) To fill a funded, unfilled position in the same classification provided they meet the minimum qualifications for the unfilled position. If a funded, unfilled position exists in the same classification as the employee receiving a notice of layoff the employee's sole right is to fill that unfilled position and he/she may not displace a less senior employee.
 - (2) If no funded, unfilled positions exist within the same classification as the employee receiving a layoff notice, and the employee receiving the layoff notice has a greater number of seniority points than one or more other employees in their classification the employee may displace the least senior employee in the classification affected by the layoff.
- E. In order to exercise their rights under paragraph D the employee must notify the Human Resources Department within five (5) business days of receipt of their layoff notice of their desire to be placed in the unfilled position or if there is no unfilled position to displace the least senior employee. Failure to provide the Human Resources Department notice of their desire to displace the least senior employee or to fill a funded, unfilled position within the allotted five (5) business days shall constitute an irrevocable waiver of their rights to displace the least senior employee or to fill a funded, unfilled position. An employee who fails to respond to the Human Resources Department within five (5) business days shall be laid off on the date contained in their notice.
- F. If an employee exercises their right to displace a less senior employee, the less senior employee shall receive a layoff notice as is provided for in Paragraph C and shall have the same right to notice, displacement of a less senior employee and to fill a funded, unfilled position as the employee whose position was eliminated by the City Council. The process described in Paragraphs C and D shall apply as if the displaced employee's position had been eliminated by the City Council.

SECTION 7.5 - DISPLACEMENT IN LIEU OF LAYOFF

- A. An employee receiving a layoff notice and having more seniority than another employee in the same classification, whose position has not been eliminated, shall have the right to displace the least senior employee in that classification.
- B. If an employee is unable to retain a position under paragraph A then the employee receiving a layoff notice may demote to any lower classification in the classification series of which their classification is a part as set forth in Appendix B of this MOU, even if they have never held a position in the lower classification. The following conditions apply:
- (1) Each employee demoting pursuant to this Section may ONLY demote to that classification which has the highest salary range at the time the demotion is effective.

- (2) An employee may demote pursuant to this paragraph provided they have more seniority than an employee in the lower classification or there is a funded, unfilled position in the lower classification, provided they meet the minimum qualifications for the position.
 - (3) If there is a funded unfilled position in the classification to which the employee is demoting the employee demoting will be assigned to that position, provided they meet the minimum qualifications.
 - (4) If there is no funded unfilled position then the employee will be placed in the position in that classification held by the least senior employee, provided they meet the minimum qualifications for the position.
 - (5) An employee receiving layoff notice may displace the least senior employee in the next lower classification within that classification series as set forth in Appendix B of this MOU or in each succeeding lower classification within the classification series.
 - (6) Not all classifications are part of a classification series. This paragraph is applicable only to those classifications series identified in Appendix B.
 - (7) Employees occupying a position for which there is no classification series or for which there are no funded positions in a lower classification in a series whose position is eliminated by the City Council shall be laid off provided they are the least senior employee in the classification in which the City Council has eliminated one or more positions, unless the employee can fill a funded unfilled position pursuant to Paragraph E.
- C. The Human Resources Department shall identify the one position, if any, to which an employee receiving a layoff notice may move by displacing a less senior employee or filling a funded, unfilled position.
- D. An employee placed in a position pursuant to Paragraphs A through C, who had previously obtained permanent status in the classification to which the position is assigned or in a higher classification in the same classification series as set forth in Appendix B of this MOU, shall not be required to serve a probationary period. An employee who is serving a probationary period at the time of placement in a new position shall be required to complete that probationary period.
- E. An employee who receives a layoff notice and is unable to displace a less senior employee in that classification or to demote to a position in a lower classification in the classification series, will be eligible to demote or transfer to a vacant position, if any such positions exist, within the City for which they meet the minimum requirements and for which on the job training can be provided sufficient that they can perform the duties assigned to that position. Subject to the following conditions:

- (1) Employees placed pursuant to this paragraph shall serve a probationary period of one year.
- (2) If more than one such vacant position exists, the appointing authority(s), in conjunction with the Human Resources Department and in consultation with the employee, shall determine which position is to be offered to the employee.
- (3) If more than one employee is eligible to fill a vacant position(s) the appointing authority(s) may select the employee(s) which best meet the needs of the department(s).
- (4) Any disputes arising among appointing authorities, or with the Human Resources Department or employee(s) pursuant to this paragraph E shall be resolved by the City Manager whose decision shall be final.

SECTION 7.6 - RE-EMPLOYMENT RIGHTS

- A. Employees laid off or placed in a lower classification in accordance with this article shall be placed on a re-employment list for each classification in which they have reinstatement rights for a maximum of two years in the order of their seniority.
- B. Whenever a vacancy occurs in a classification for which there is a re-employment list, the appointing authority shall appoint the most senior person on the list provided that person is available and meets the current minimum qualifications for that position.
- C. If no re-employment list exists for the particular classification in which a vacancy occurs but a re-employment list(s) exists for other classifications, and employees on the re-employment list(s) meet the minimum qualifications for the position, can be trained on the job to perform the duties of the position and are available, the appointing authority shall offer the position to one of the employees on the re-employment list(s). If more than one employee on such list or lists meet the minimum qualifications and could be trained on the job to perform the duties of the available position, the appointing authority may select the person to whom the position is to be offered based on the needs of the department in which the vacancy exists. An employee being appointed to a position pursuant to this paragraph shall serve a one year probationary period.

7.7 - SEVERANCE PAY

A. Employees who have been laid off pursuant to this Article and action by the City Council shall be eligible for compensation at their base hourly rate, in addition to any other payoffs to which the employee is entitled, according to the following schedule:

<u>YEARS OF SERVICE*</u>		<u>PAY PERIODS OF COMPENSATION**</u>
<u>MORE THAN</u>	<u>LESS THAN OR EQUAL TO</u>	
1	2	2
2	3	3
3	4	4
4	5	5
5	6	6
6	7	7
7	8	8
8	9	9
9	10	10
10		13

* Year(s) of service means full calendar year(s) from the employee's date of hire.

** Employees working less than full time at the time a layoff notice is issued to them shall receive the same proportion of full time compensation as the proportion of pay period they were working at the time the layoff notice was issued.

B. In addition to the cash compensation in paragraph A above employees laid off pursuant to this article and action of the City Council shall continue to receive City medical plan coverage for themselves and their families, if their families are enrolled in the City medical plan at the time the layoff notice is issued according to the following schedule:

<u>Years of* Service</u>	<u>Months of Continued Medical Plan Coverage**</u>
Less than 1	0
1 but less than 2	1
2 but less than 3	2
3 but less than 4	3
4 but less than 5	4

5 but less than 6	5
6 or more	6

- * Upon separation, employees must elect to continue coverage in accordance with COBRA provisions and City will pay initial COBRA payment in accordance with the schedule shown. Employees may continue coverage past city payment period by continuing to make payments monthly.
- * Year(s) of service means full calendar year(s) from the employee's date of hire.
- ** Part time employees will receive the same proportion of city paid medical insurance as they are receiving at the time the layoff notice is issued and can continue their medical insurance coverage if they continue to pay the same additional premium as they are paying at the time the layoff notice is issued.

Laid off employees who become eligible for another employer sponsored medical plan shall no longer be eligible for the City paid medical plan benefits regardless of the number of months elapsed since the effective date of their layoff and regardless of whether or not they choose to participate in the employer sponsored medical plan for which they are eligible.

- C. Employees who are rehired by the City during the period for which they have received benefits under paragraph A above shall repay to the City any compensation in excess of the number of pay periods of their layoff. Employees rehired who have maintained their City sponsored medical plan during the period of their layoff shall not be subject to any waiting period or any exclusion for preexisting conditions.
- D. Laid off employees receiving compensation under paragraphs A and or B above are not eligible for any other compensation or benefits such as paid holidays, vacation or sick leave accrual. This paragraph does not affect employees otherwise eligible for Workers Compensation, Long-Term Disability or Retirement benefits.

ARTICLE 8. REOPENERS

SECTION 8.1 – MOST FAVORED NATIONS REOPENER

The City agrees to provide the Union with copies of all current and future Memorandums of Understanding for bargaining units recognized by the City and other employment terms approved by the City Council for bargaining units recognized by the City.

If the City agrees to provide any other recognized bargaining unit with economic terms that are more favorable than the terms provided under this MOU, the Union may request in writing to reopen negotiations over the difference in the dollar value of the term. The City agrees to meet and confer with the Union, as soon as reasonably practicable, upon receiving a written request under this section.

Any terms and conditions of this MOU not subject to this reopener provision shall remain in full force and effect.

Examples of terms that may be subject to reopening negotiations under this section include:

1. The amount of the one-time signing incentive.
2. Any change in the annual Citywide Compensation Pool that results in other bargaining units getting salary increases in addition to increases agreed in the respective Memorandums of Understanding.
3. Changes in the amount of the City's contribution towards health care costs.
4. Changes to retiree medical benefits.

However, the Union is expressly excluded from exercising this most favored nations reopener over any salary increases received by a safety unit, of up to 3%, that are offset by an equivalent increase in employees PERS contribution.

SECTION 8.2 – REOPENER ON STRUCTURAL ORGANIZATION CHANGES

The City and the Union agree to reopen negotiations, upon request by the City, over the implementation of a reorganization of the Departments for employees covered by this MOU.

SECTION 8.3 – REOPENER ON LAYOFF PROCEDURES

The City and the Union agree to reopen negotiations during the term of this MOU to meet and confer over changes to the layoff provisions and procedures under Article 7.

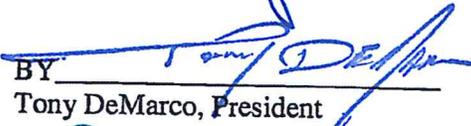
IN WITNESS THEREOF, the parties hereto have executed this Memorandum of Understanding this ____ day of _____, 2014.

STATIONARY ENGINEERS, LOCAL 39

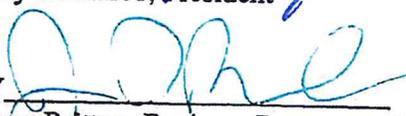
CITY OF SOUTH LAKE TAHOE

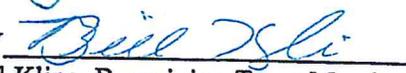
BY 
Jerry Kalmár, Business Manager-Secretary

BY 

BY 
Tony DeMarco, President

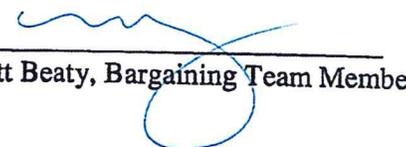
BY 

BY 
James Britton, Business Representative

BY 
Bill Kline, Bargaining Team Member

BY _____
Trevor Coolidge, Bargaining Team Member

BY 
Phil Harwood, Bargaining Team Member

BY 
Matt Beaty, Bargaining Team Member

APPENDIX A – CLASSIFICATIONS IN THE GENERAL/PUBLIC WORKS UNIT

Accounting Technician
Administrative Clerk
Administrative Assistant
Airport Maintenance & Operations Technician
Assistant Engineer
Assistant Planner
Associate Civil Engineer
Associate Planner
Building Inspector
Community Outreach and Volunteer Coordinator
Construction Engineer
Custodian
Environmental Programs Analyst
Equipment Mechanic
Facilities Worker
Grants Coordinator
Heavy Equipment Operator
Housing and Redevelopment Development Assistant
Housing Inspector
Information Systems Technician
Inventory Control Specialist
Lead Equipment Mechanic
Lead Parks Maintenance Worker
Lead Street Maintenance Worker
Network Systems Administrator
Parks Maintenance Worker
Parks Supervisor
Parks Supervisor (Seasonal Programs)
Permit Technician
Planning Technician
Police Maintenance Worker
Police Records Technician
Public Works Inspector
Recreation Coordinator
Recreation Program Coordinator
Recreation Supervisor
Recreation Receptionist
Secretary
Senior Accounting Technician
Senior Administrative Clerk/General
Senior Building Inspector
Senior Housing and Redevelopment Development Assistant
Senior Housing Inspector

Senior Park Maintenance Worker
Senior Permit Technician
Senior Police Records Technician
Senior Public Works Inspector
Senior Recreation Receptionist
Sign Maintenance Technician
Special Events Coordinator
Street Maintenance Worker

APPENDIX B- CLASSIFICATION SERIES

Human Resources Analyst
Assistant City Clerk
Administrative Assistant
Secretary

Senior Administrative Clerk/Senior Human Resources Clerk/Senior Recreation Receptionist
Administrative Clerk/Human Resources Clerk/Recreation Receptionist

Senior Police Records Technician
Police Records Technician

Transportation, Solid Waste Manager
Airport Maintenance and Operations Supervisor
Airport Maintenance and Operations Technician

Senior Airport Assistant
Airport Assistant

Accounting Manager
Accountant
Grants Coordinator
Senior Accounting Technician
Accounting Technician

Information System's Manager
Network Systems Administrator
Information Systems Specialist
Information Systems Technician

Recreation Supervisor
Recreation Coordinator

Parks Supervisor
Parks Supervisor (Seasonal Programs)
Lead Parks Maintenance Worker
Senior Parks Maintenance Worker
Parks Maintenance Worker
Police Maintenance Worker
Custodian

Planning Manager
Associate Planner
Assistant Planner
Planning Technician

Engineering Manager
Engineering Supervisor/Storm Water Coordinator
Associate Civil Engineer
Assistant Engineer/Environmental Programs Analyst

Senior Public Works Inspector
Public Works Inspector
Engineering Technician

Building Official
Principal Building Inspector
Senior Building Inspector
Building Inspector

Senior Permit Technician
Permit Technician

Fleet Manager
Lead Equipment Mechanic
Equipment Mechanic

Street Superintendent
Street Supervisor
Lead Street Maintenance Worker
Sign Maintenance Technician
Heavy Equipment Operator
Street Maintenance Worker

Facilities Manager
Facilities Worker

Redevelopment & Housing Manager
Housing Rehabilitation Specialist/Loan Program Specialist
Redevelopment & Housing Assistant

Purchasing Manager
Inventory Control Specialist
Purchasing Technician

Legal Analyst
Legal Assistant
Executive Assistant – City Attorney

Associate Management Analyst/Risk Management Coordinator
Assistant Management Analyst

Economic Development Specialist

APPENDIX C

SALARY TABLE AS OF OCTOBER 1, 2014

City of South Lake Tahoe
Salary Table by Bargaining Unit

Appendix C Salary Table October 1, 2014

Bargaining Unit 3100- General & Public Works

8100 AIRPORT MAINT&OPS TECHNICIAN

Index Key Value		
3100/3113/01	22.3863	3.880
3100/3113/02	23.5097	4.075
3100/3113/03	24.6851	4.279
3100/3113/04	25.9127	4.492
3100/3113/05	27.2147	4.717

3122 CUSTODIAN (PKS & REC)

index Key Value		
3100/3122/01	16.1806	2,805
3100/3122/02	16.9857	2,944
3100/3122/03	17.8411	3,092
3100/3122/04	18.7324	3,247
3100/3122/05	19.6669	3,409

7201 EQUIPMENT MECHANIC

Index Key Value		
3100/3119/01	26.0784	4,520
3100/3119/02	27.3803	4,746
3100/3119/03	28.7498	4,983
3100/3119/04	30.1867	5,232
3100/3119/05	31.6928	5,493

7180 FACILITIES WORKER

Index Key Value		
3100/3120/01	23.4564	4,066
3100/3120/02	24.6284	4,269
3100/3120/03	25.8599	4,482
3100/3120/04	27.1507	4,706
3100/3120/05	28.5156	4,943

7700 HEAVY EQUIPMENT OPERATOR

Index Key Value		
3100/3116/01	21.7810	3,775
3100/3116/02	22.8686	3,964
3100/3116/03	24.0093	4,162
3100/3116/04	25.2110	4,370
3100/3116/05	26.4670	4,588

6301 INVENTORY CONTROL SPECIALIST

Index Key Value		
3100/3117/01	22.0331	3,819
3100/3117/02	23.1363	4,010
3100/3117/03	24.2919	4,211
3100/3117/04	25.5077	4,421
3100/3117/05	26.7759	4,641

7401 LEADEQUIPMENT MECHANIC

Index Key Value		
3100/3123/01	28.6856	4,972
3100/3123/02	30.1178	5,220
3100/3123/03	31.6258	5,482
3100/3123/04	33.2012	5,755
3100/3123/05	34.8608	6,043

7800 LEAD STREET MAINTENANCE WORKER

Index Key Value		
3100/3125/01	23.9564	4,152
3100/3125/02	25.1534	4,360
3100/3125/03	26.4111	4,578
3100/3125/04	27.7294	4,806
3100/3125/05	29.1122	5,046

8400 POLICE MAINTENANCE WORKER

Index Key Value		
3100/8840/01	19.3808	3,359
3100/8840/02	20.3518	3,528
3100/8840/03	21.3674	3,704
3100/8840/04	22.4354	3,889
3100/8840/05	23.5629	4,084

7690 SIGNT ECHNICIAN

Index Key Value		
3100/3124/01	23.3731	4,051
3100/3124/02	24.5398	4,254
3100/3124/03	25.7671	4,466
3100/3124/04	27.0552	4,690
3100/3124/05	28.4077	4,924

8800 STREET MAINTENANCE WORKER

Index Key Value		
3100/3112/01	19.3808	3,359
3100/3112/02	20.3518	3,528
3100/3112/03	21.3674	3,704
3100/3112/04	22.4354	3,889
3100/3112/05	23.5629	4,084

City of South Lake Tahoe
Salary Table by Bargaining Unit

Bargaining Unit 3400 - General & Public Works

6381 ADMINISTRATIVE ASSISTANT

Index Key Value		
3400/3414/01	21.4711	3,722
3400/3414/02	22.5494	3,909
3400/3414/03	23.6707	4,103
3400/3414/04	24.8567	4,308
3400/3414/05	26.1004	4,524

3780 PERMIT CENTER TECHNICIAN

Index Key Value		
3400/3780/01	22.8223	3,956
3400/3780/02	23.9673	4,154
3400/3780/03	25.1645	4,362
3400/3780/04	26.4238	4,580
3400/3780/05	27.7374	4,808

6500 ADMINISTRATIVE CLERK

Index Key Value		
3400/3402/01	15.1095	2,619
3400/3402/02	15.8624	2,749
3400/3402/03	16.6526	2,886
3400/3402/04	17.4874	3,031
3400/3402/05	18.3730	3,185

3740 PLANNING TECHNICIAN

Index Key Value		
3400/3436/01	21.7377	3,768
3400/3436/02	22.8260	3,957
3400/3436/03	23.9662	4,154
3400/3436/04	25.1656	4,362
3400/3436/05	26.4166	4,579

3140 ASSISTANT PLANNER

Index Key Value		
3400/3440/01	29.2554	5,071
3400/3440/02	30.7226	5,325
3400/3440/03	32.2551	5,591
3400/3440/04	33.8691	5,871
3400/3440/05	35.5743	6,166

6600 POLICE RECORDS TECHNICIAN

Index Key Value		
3400/4104/01	18.2177	3,158
3400/4104/02	19.1320	3,316
3400/4104/03	20.0896	3,482
3400/4104/04	21.0902	3,656
3400/4104/05	22.1468	3,839

2190 ASSOCIATE CIVIL ENGINEER

Index Key Value		
3400/3435/01	40.5414	7,027
3400/3435/02	42.5684	7,379
3400/3435/03	44.6962	7,747
3400/3435/04	46.9317	8,135
3400/3435/05	49.2751	8,541

3880 PRINCIPAL BUILDING INSPECTOR

Index Key Value		
3400/3427/01	30.4348	5,275
3400/3427/02	31.9587	5,540
3400/3427/03	33.5545	5,816
3400/3427/04	35.2366	6,108
3400/3427/05	36.9976	6,413

2200 ASSOCIATE PLANNER

Index Key Value		
3400/3429/01	32.1959	5,581
3400/3429/02	33.8060	5,860
3400/3429/03	35.4953	6,153
3400/3429/04	37.2708	6,460
3400/3429/05	39.1325	6,783

6510 RECREATION RECEPTIONIST

Index Key Value		
3400/3402/01	15.1095	2,619
3400/3402/02	15.8624	2,749
3400/3402/03	16.6526	2,886
3400/3402/04	17.4874	3,031
3400/3402/05	18.3730	3,185

3179 BUILDING INSPECTOR

Index Key Value		
3400/3421/01	25.1606	4,361
3400/3421/02	26.4183	4,579
3400/3421/03	27.7380	4,808
3400/3421/04	29.1200	5,047
3400/3421/05	30.5794	5,300

5700 RECREATION SUPERVISOR

Index Key Value		
3400/3426/01	27.1424	4,705
3400/3426/02	28.5047	4,941
3400/3426/03	29.9263	5,187
3400/3426/04	31.4218	5,446
3400/3426/05	32.9989	5,720

3465 CONSTRUCTION ENGINEER

Index Key Value		
3400/3465/01	36.8533	6,388
3400/3465/02	38.7013	6,708
3400/3465/03	40.6382	7,044
3400/3465/04	42.6639	7,395
3400/3465/05	44.7962	7,765

6400 SECRETARY

Index Key Value		
3400/3410/01	19.5231	3,384
3400/3410/02	20.5007	3,553
3400/3410/03	21.5214	3,730
3400/3410/04	22.5996	3,917
3400/3410/05	23.7282	4,113

3220 GIS ANALYST

Index Key Value		
3400/3220/01	36.8533	6,388
3400/3220/02	38.7013	6,708
3400/3220/03	40.6382	7,044
3400/3220/04	42.6639	7,395
3400/3220/05	44.7962	7,765

6200 SENIOR ADMINISTRATIVE CLERK

Index Key Value		
3400/3406/01	16.6267	2,882
3400/3406/02	17.4591	3,026
3400/3406/03	18.3361	3,178
3400/3406/04	19.2504	3,337
3400/3406/05	20.2131	3,504

City of South lake Tahoe
Salary Table by Bargaining Unit

2350 HOUSING INSPECTOR			3181 SENIOR BUILDING INSPECTOR			
Index	Key Value		Index	Key Value		
	3400/3495/01	23.9624	4,153	3400/3425/01	27.6663	4,795
	3400/3495/02	25.1606	4,361	3400/3425/02	29.0507	5,035
	3400/3495/03	26.4183	4,579	3400/3425/03	30.5049	5,288
	3400/3495/04	27.7380	4,808	3400/3425/04	32.0286	5,552
	3400/3495/05	29.1200	5,047	3400/3425/05	33.6335	5,830
3280 INFORMATION SYSTEM TECHNICIAN			2360 SENIOR HOUSING INSPECTOR			
Index	Key Value		Index	Key Value		
	3400/3422/01	25.5771	4,433	3400/3496/01	26.4177	4,579
	3400/3422/02	26.8542	4,655	3400/3496/02	27.7346	4,807
	3400/3422/03	28.1988	4,888	3400/3496/03	29.1171	5,047
	3400/3422/04	29.6034	5,131	3400/3496/04	30.5782	5,300
	3400/3422/05	31.0832	5,388	3400/3496/05	32.1071	5,565
7685 LEAD PARKS MAINTENANCE WORKER			6210 SENIOR RECREATION RECEPTIONIST			
Index	Key Value		Index	Key Value		
	3400/3420/01	23.4564	4,066	3400/3406/01	16.6267	2,882
	3400/3420/02	24.6284	4,269	3400/3406/02	17.4591	3,026
	3400/3420/03	25.8599	4,482	3400/3406/03	18.3361	3,178
	3400/3420/04	27.1507	4,706	3400/3406/04	19.2504	3,337
	3400/3420/05	28.5156	4,943	3400/3406/05	20.2131	3,504
3241 NETWORK SYSTEM ADMINISTRATOR			6640 SR POLICE RECORDS TECHNICIAN			
Index	Key Value		Index	Key Value		
	3400/3428/01	33.1375	5,744	3400/6640/01	20.0460	3,475
	3400/3428/02	34.7908	6,030	3400/6640/02	21.0463	3,648
	3400/3428/03	36.5304	6,332	3400/6640/03	22.1044	3,831
	3400/3428/04	38.3561	6,648	3400/6640/04	23.2121	4,023
	3400/3428/05	40.2755	6,981	3400/6640/05	24.3608	4,223
3390 PARKS & REC SECRETARY			7680 SR. PARK MAINTENANCE WORKER			
Index	Key Value		Index	Key Value		
	3400/1490/01	19.5231	3,384	3400/3416/01	21.3281	3,697
	3400/1490/02	20.5007	3,553	3400/3416/02	22.3930	3,881
	3400/1490/03	21.5214	3,730	3400/3416/03	23.5100	4,075
	3400/1490/04	22.5996	3,917	3400/3416/04	24.6867	4,279
	3400/1490/05	23.7282	4,113	3400/3416/05	25.9228	4,493
8700 PARKS MAINTENANCE WORKER			3842 SR. PUBLIC WORKS INSPECTOR			
Index	Key Value		Index	Key Value		
	3400/3438/01	19.3808	3,359	3400/3433/01	27.0851	4,695
	3400/3438/02	20.3518	3,528	3400/3433/02	28.4365	4,929
	3400/3438/03	21.3674	3,704	3400/3433/03	29.8598	5,176
	3400/3438/04	22.4354	3,889	3400/3433/04	31.3549	5,435
	3400/3438/05	23.5629	4,084	3400/3433/05	32.9219	5,706

City of South Lake Tahoe
Salary Table by Bargaining Unit

7687 PARKS SPVSR SEASONAL PROGRAMS

Index Key Value

3400/3441/01	24.5692	4,259
3400/3441/02	25.7984	4,472
3400/3441/03	27.0923	4,696
3400/3441/04	28.4437	4,930
3400/3441/05	29.8669	5,177

3475 STORM WATER PROGRAM COORDIN

Index Key Value

3400/3475/01	36.8533	6,388
3400/3475/02	38.7013	6,708
3400/3475/03	40.6382	7,044
3400/3475/04	42.6639	7,395
3400/3475/05	44.7962	7,765

7686 PARKS SUPERVISOR

Index Key Value

3400/3439/01	25.7984	4,472
3400/3439/02	27.0923	4,696
3400/3439/03	28.4437	4,930
3400/3439/04	29.8669	5,177
3400/3439/05	31.3620	5,436

3201 ENGINEERING TECHNICIAN

Index Key Value

3400/3423/01	24.3880	4,227
3400/3423/02	25.6074	4,438
3400/3423/03	26.8878	4,660
3400/3423/04	28.2322	4,893
3400/3423/05	29.6438	5,138