



City of South Lake Tahoe

"making a positive difference now"

11

STAFF REPORT FOR THE CITY COUNCIL MEETING OF JUNE 17, 2008

JUNE 10, 2008

TO: HONORABLE MAYOR AND COUNCIL

FR: JANET EMMETT, HUMAN RESOURCES MANAGER

CC: DAVID JINKENS, CITY MANAGER

RE: **APPROVAL OF PROPOSED CHANGES IN MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SOUTH LAKE TAHOE AND THE SOUTH LAKE TAHOE EMPLOYEES ASSOCIATION (GENERAL & PUBLIC WORKS)**

RECOMMENDATION

Adopt the resolution

ISSUE STATEMENT AND DISCUSSION

Background

Action is being requested by the City Council to approve a new Memoranda of Understanding (MOU) with the South Lake Tahoe Employees Association (General & Public Works). The previous MOU ran from October 1, 2006 through September 31, 2007. Since October 1, 2007 the Association has been working under the terms and conditions of the previous contract.

The Proposal before the City Council with the South Lake Tahoe Employees Association (General & Public Works)

Representatives of City management and the South Lake Tahoe Employees Association (General & Public Works) have met and conferred on wages, hours, and other terms and conditions covering the employees of this unit. The proposed changes to the existing MOU are consistent with instructions provided by the South Lake Tahoe City Council during the meet and confer process to the City's Labor Negotiator in conformance with California Law. Both the Association and City representatives have acted in good faith throughout the bargaining process in arriving at this proposed agreement. To complete this process successfully, the terms and conditions proposed herein must be ratified at a

public meeting. Ratification of the agreement that falls within the instructions provided by the City Council and ratified by the Association demonstrates good faith bargaining by the City of South Lake Tahoe.

The following highlights the negotiated items. Some additional language changes were also made for clarification.

1. The agreement October 1, 2007 through September 30, 2010.
2. Salary changes as defined in the attached MOU agreement.
3. Health care plan changes to include the following:
 - a. new hires hired after 1-1-08 participate in a defined contribution retiree medical plan in lieu of a defined benefit plan.
 - b. new hires hired after 1-1-08 will participate in high deductible medical plan.
 - c. current employees continue on current low deductible plan with some plan design changes and with the option of transitioning to high deductible plan during annual open enrollment.
 - d. current employees participating in low deductible plan pay a share of monthly plan premium starting October 1, 2008.

FINANCIAL AND/OR POLICY IMPLICATIONS:

The cost of the package outlined above is within the financial parameters established by the City Council, and is consistent with City Council policy.

Submitted by: _____


Janet Emmett

Approved by: _____


David Jinkens

cc: Director of Finance
Association Presidents

CITY OF SOUTH LAKE TAHOE

RESOLUTION NO. 2008 -

A RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING WITH THE SOUTH LAKE TAHOE EMPLOYEES ASSOCIATION (GENERAL & PUBLIC WORKS)

WHEREAS, the City Council of the City of South Lake Tahoe and the South Lake Tahoe Employees Association (General & Public Works) have met and conferred in good faith in accordance with the provisions of the Meyer-Milias-Brown Act of the California Government Code; and

WHEREAS, the South Lake Tahoe Employees Association (General & Public Works) has ratified modifications to the Memorandum of Understanding for the term of October 1, 2006 through September 30, 2011,

NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED THAT:

This City Council approves the modifications to the Memorandum of Understanding between the City of South Lake Tahoe and the South Lake Tahoe Employees Association (General & Public Works) which are incorporated into the Memorandum of Understanding and directs the City Manager to take all steps that are proper and necessary to implement this agreement.

PASSED AND ADOPTED by the City Council of the City of South Lake Tahoe at a meeting on June 17, 2008 by the following vote:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

Mike Weber, Mayor

ATTEST:

Susan Alessi, City Clerk

MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF SOUTH LAKE TAHOE
AND THE
SOUTH LAKE TAHOE CITY EMPLOYEES' ASSOCIATION

GENERAL AND PUBLIC WORKS ASSOCIATION

TABLE OF CONTENTS

ARTICLE 1	GENERAL PROVISIONS	1
1.1	Preamble	1
1.2	Recognition	1
1.3	Management Rights	1
1.4	Association Representation and Communication	1
1.5	Past Practice	5
1.6	Concerted Activities	5
1.7	Modifications and Waivers	5
1.8	Savings Provision	5
1.9	Revision to the City Personnel Rules	6
1.10	Nondiscrimination	6
ARTICLE 2	PAY RATES AND PRACTICES	7
2.1	Work Hours	7
2.2	Overtime	7
2.3	Call-Back Assignments	8
2.4	Shift Differential	9
2.5	Split Shift Differential	11
2.6	Acting Pay	11
2.7	Mechanics Certification Pay	12
2.8	Welding Certification Pay	12
2.9	Shared Positions	13
2.10	Salaries	13
2.11	Merit Pay	13
2.12	Health Benefit Cost Sharing Offset	13
2.13	Bilingual Pay	14
2.14	Education Incentive	14
2.15	Training Pay	15
2.16	Snow Removal Operations "On Call" Pay	15
ARTICLE 3	PAID LEAVES	18
3.1	Holidays	18
3.2	Vacation	19
3.3	Sick Leave	21
3.4	Sick Leave Donations	23
3.5	Scheduling Time Off	23
3.6	Drivers License Renewals	23
3.7	Bereavement	23
ARTICLE 4	BENEFITS	24
4.1	Insurance Benefits	24
4.2	Health and Welfare	24
4.3	Retiree Health	27
4.4	Health Care Oversight Committee	29
4.5	Retirement Benefits	29
4.6	Employee Assistance Program	29
4.7	Employee Wellness and Physicals	29
4.8	Shop Tools	31

4.9	Uniforms	31
4.10	Employee Training	31
4.11	Mileage Allowance and Reimbursement	32
4.12	Personal Protection Equipment	32
ARTICLE 5	DISCIPLINARY APPEALS PROCEDURE	33
5.1	Application	33
5.2	Definition	33
5.3	Representation/No Reprisal	33
5.4	Time Limits	33
5.5	Written Reprimands and Suspensions Without Pay of Less Than Three Days	34
5.6	Pre-Action Procedure	34
5.7	Post-Action Appeal	35
ARTICLE 6	GRIEVANCES	37
6.1	Application	327
6.2	Definition	37
6.3	Representation/No Reprisal	37
6.4	Time Limits	38
6.5	Procedures	38
ARTICLE 7	LAYOFFS	42
7.1	Definitions	42
7.2	Order of Layoffs	44
7.3	Layoff List Computation	44
7.4	Layoff Process	44
7.5	Displacement in Lieu of Layoff	46
7.6	Re-Employment Rights	48
7.7	Severance Pay	48
APPENDIX A	CLASSIFICATIONS IN THE GENERAL/PUBLIC WORKS UNIT	51
APPENDIX B	CLASSIFICATION SERIES	53
APPENDIX C	EXAMPLE CALCULATION FOR HEALTH COST SHARING	55

MEMORANDUM OF UNDERSTANDING BETWEEN THE
CITY OF SOUTH LAKE TAHOE
AND THE
SOUTH LAKE TAHOE CITY EMPLOYEES' ASSOCIATION

ARTICLE 1. GENERAL PROVISIONS

Section 1.1. - PREAMBLE

This Memorandum of Understanding is entered into by the City of South Lake Tahoe (hereinafter referred to as the City) and the South Lake Tahoe City Employees' Association, affiliated with El Dorado County Employee's Association and Public Employee's Union Local #1, (hereinafter referred to as the Association) 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 Association membership, this Memorandum of Understanding is binding under Government Code sections 3500-3510 (the Meyers-Milias-Brown Act) for the period commencing October 1, 2007 and ending September 30, 2010.

Section 1.2 - RECOGNITION

The City recognizes the South Lake Tahoe City Employee's Association, affiliated with the El Dorado County Employee's Association and Public Employee's Union Local #1, 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.

Section 1.3 - MANAGEMENT RIGHTS

The Association acknowledges the City's rights and responsibilities as delineated in the current Section 17-4 of the City Personnel Rules and all applicable state and municipal laws; except both parties acknowledge the responsibility to meet and confer on any impact such actions may have on the wages, hours and terms and conditions of employees covered by this memorandum of understanding.

Section 1.4 - ASSOCIATION REPRESENTATION AND COMMUNICATION

A. Time off for Representation

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 Association and the City, the number of employees excused for such purposes shall not exceed two (2) from each bargaining unit. Such employee representatives shall submit a written request for excused absence to their respective Department Heads, with an information copy to the Human Resources Manager, at least two working days prior to the scheduled meeting whenever possible.

B. Bulletin Boards

City departments which have employees in these bargaining units shall grant the Association reasonable access to space on available bulletin boards for communications regarding official organization business, such as times and places of meetings. This privilege must not interfere with the needs of the department and may be revoked in the event of abuse.

C. Association Access to Employees

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

Solicitation for membership in the Association or other internal association business not directly connected to 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 City employees or the Association in accordance with such administrative procedures as may be established by the City Manager or Department Heads concerned.

D. Payroll Deductions and Maintenance of Membership

1. Within 14 days after approval of this MOU, the City shall deliver to each employee represented by the Association who is not a member of the Association a notice of this MOU and a form to exercise one of the following options:
 - a. To become a member of the Association and be subject to the provisions of membership;
 - b. To pay a service fee to the Association as a fair share contribution toward representation by the Association. Such service fee shall be administered in accordance with the Fair Share Program (Paragraph E).
 - c. To waive rights of representation by the Association. Under this option, the employee will sign a waiver releasing the Association from representation in cases of discipline, grievance, and arbitration. For the purpose of negotiations, the employee will continue to be represented since the Association negotiates wages, benefits, and working conditions for the classification in which the employee is assigned.

- d. Within 14 days of receipt of the notice of these options the employees shall return the form setting forth the option selected. If an employee does not properly complete and return the form, the City shall commence and continue a payroll deduction of service fees from the regular biweekly pay of such employee.
2. The City of South Lake Tahoe shall hold harmless, indemnify and defend Local 1 from and against all claims or actions which may arise as a result of this Section herein which provides that non-dues paying members represented by Local 1 are not entitled to representation by Local 1 concerning issues relating to discipline, arbitration, grievances, wrongful termination, or any other type of dispute whatsoever which is not directly related to salary and/or benefits granted to employees otherwise represented by the Association.

In the event any assertion of right to representation for such purpose is made by any of the non-represented persons, present or future, to which this provision applies, the City reserves the right, at its own cost and expense, to suspend any such grievance, disciplinary action, or any proceeding and shall secure a judicial determination as to what legal obligations, if any, exist and what steps should be taken, if any, as a result of the Memorandum of Understanding provision at issue herein.

3. The Association may have the regular dues, fees, and assessments of its members deducted from employees' paychecks under procedures prescribed by the City. Employees desirous of such deductions must sign and submit an Employee Payroll Deduction Authorization (PDA). All duly authorized PDA's will be processed promptly. Deductions authorized in the above manner will be accumulated and forwarded on a regular basis to the authorized payee(s).
4. Any unit employee who has a dues deduction authorization on file with the City on the date this agreement is ratified, shall be subject to the Maintenance of Membership provisions of this agreement.
5. If employees have a dues deduction on file, it is understood that the dues will be deducted for the duration of this agreement, or until the last day of the pay period during which the transfer of the employee to a unit represented by another recognized employee organization or to a class not contained in a representation unit is effective, whichever occurs first. Employees covered by this paragraph may discontinue their membership by notifying the City in writing during the pay period, which contains the employees' birthday.
6. It is understood that employees are free to authorize dues deduction at any time. However, employees may not discontinue dues deduction during the term of this Memorandum of Understanding, except as otherwise provided in this section.

E. Fair Share Dues Plan

1. All employees covered by this MOU who are hired after March 16, 1993, shall become and remain members of the association or shall pay to the Association a service fee in

lieu thereof. The amount of the service fee shall be established by the Association and shall not exceed that portion of the Union's dues and fees paid by members of the Association as are expended by the Association in fulfilling its responsibilities for representation of members and administration of the MOU.

The employee shall have five working days following the initial date of employment to fully execute the authorization form of his/her choice and return said form to the Finance Department. If the form is not completed properly and returned within five working days, the Finance Department shall commence and continue a payroll deduction of service fees from the regular biweekly pay of such employee. The effective date of Association dues, service fee deductions or charitable contributions for such employees shall be the beginning of the first pay period of employment.

Initiation fees, if any, shall be deducted in no more than four equal installments in successive pay periods, beginning with the first full pay period. Initiation fees shall not exceed the maximum dues for one month.

The employee's earnings must be sufficient after the other legal and required deductions are made to cover the amount of the dues or fees authorized. When an employee is in a non-pay status for an entire pay period, no withholding will be made to cover the pay period from future earnings. In the case of an employee who is in a non-pay status during only part of the pay period, and the salary is not sufficient to cover the appropriate withholding, no deduction shall be made. In this connection, all other legal and required deductions (including health care deductions) have priority over union dues and service fees.

2. Religious Exemption Any employee of the City, subject to this MOU, who is a member of a bona fide religion, body or sect which is recognized by the National Labor Relations Board as historically holding a conscientious objection to joining or financially supporting a public employee organization shall, upon presentation of verification of active membership in such religion, body or sect, be permitted to make a charitable contribution equal to the service fee in lieu of Association membership or service fee payment. Declarations or applications for religious exemption and any other supporting documentation shall be forwarded to the Association within fifteen days of receipt by the City. The Association shall have fifteen days after receipt of a request for religious exemption to challenge any exemption granted by the City. If challenged, the deduction to charity shall commence, but shall be held in escrow pending resolution of the challenge. Charitable contributions shall be by regular payroll deduction only. Deductions made pursuant to this section shall be given to the United Way, Christmas Cheer, or Women's Center.
3. Hold Harmless The Association shall indemnify, defend, and hold harmless the City, its officers, employees, and agents acting on its behalf from and against any and all losses, damages, costs, expenses, claims, demands, actions, suits, judgments, and other forms of liability arising out of the application or enforcement of this section. In no event shall the City be required to pay from its own funds Association dues, service fees or charitable contributions, which the employee was obligated to pay, but failed to pay, regardless of the reasons.

Section 1.5 - PAST PRACTICES

The City and Association 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 Association 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, picketing, or refusal or failure to fully and faithfully perform job functions and responsibilities or other interference with the operations of the City by the Association 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 Association 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 Association, the Association agrees in good faith to take all necessary steps to cause those employees to cease such action.

It is agreed and understood that any employee violating this article may be subject to discipline up to and including termination by the City.

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 the Association.

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 - REVISIONS TO THE CITY PERSONNEL RULES

The City and Association agree to participate in a joint management/labor committee to review and rewrite the City's Personnel Rules. The Committee shall consist of one representative from each City bargaining unit and two representatives from City Management. Association or City consultants shall be allowed to sit in on meetings as appropriate.

The Committee's recommendations shall be forwarded to each bargaining unit for consideration prior to their presentation to the City Council.

Section 1.10 - NONDISCRIMINATION

There shall be no discrimination by the Union or by the City in the implementation of this document because of age, marital status, race, creed, color, national origin/ancestry, sex/gender, sexual orientation, religious affiliation, disability/protected medical condition, or lawful organization activities against any employee hereby covered.

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 2.2 - OVERTIME

A. Definition/Approval

Overtime is defined as all management authorized 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.

Permission 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 bank 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) Parks & Recreation Department

It is the intention of the Parks and Recreation Department 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 Parks and Recreation Superintendents 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.

(2) 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. Such an employee will have the option to earn compensatory time, overtime pay or time off in accordance with the 40-hour work week provisions of the Fair Labor Standards Act.

To accommodate the need to retain Crash Fire Rescue 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.

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 Public Works 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 Public Services Equipment 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 was developed as of November 1999 and is attached as Exhibit 1. Each November of subsequent years this list will be updated and submitted to Human Resources and the Association office by the Streets Superintendent. Each such update will become a part of Exhibit 1.

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

The Streets Superintendent shall request volunteers for night shift assignments from among permanent Street Maintenance/Senior Street Maintenance Workers and shall assign all volunteers to the night shift. If there are an insufficient number of permanent Street Maintenance/Senior Street Maintenance Workers volunteers for night shift, qualified temporary Street Maintenance Workers shall be assigned to the night shift. All permanent Street Maintenance/Senior Street Maintenance Worker 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, Exhibit 1.

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 Street Maintenance/Senior Street Maintenance Workers per season will be allowed to move off the night shift. If more than two Street Maintenance/Senior Street Maintenance Workers request reassignment from the night shift

only the two most senior Street Maintenance/Senior 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 Department 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 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 Services 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 Public Services and Parks and Recreation Departments 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

Base Increases: Employees employed upon implementation of this agreement in all of the classifications in the bargaining unit will receive the following base-salary increases during the term of this agreement:

Three and a half percent (3.5%) effective October 1, 2007.

Four percent COLA effective October 1, 2008.

Two percent (2%) equity adjustment effective October 1, 2008.

Four percent COLA effective October 1, 2009.

One percent (1%) equity adjustment effective October 1, 2009.

Section 2.11 - MERIT PAY

Employees who meet the following criteria will receive a 6% merit pay differential in addition to their normal base pay. All of the following criteria must be met to receive the merit pay differential:

- a. Have worked for the City as a probationary/permanent employee not less than five years.
- b. Have not less than 520 hours of accumulated sick leave.
- c. Employees absent from work for more than the equivalent of two shifts, except for preapproved leave other than sick leave, in any calendar year, shall not receive merit pay differential for any pay period in which their accumulated sick leave is less than that specified in sub paragraph b above.

Section 2.12 - HEALTH BENEFIT COST SHARING OFFSET

In fiscal year 2008-2009 and 2009-2010 the City will provide an offset equal to one half of the employee's cost share expense. The employee will have the option to have this amount deposited into the employee's pre-tax 457 plan. For fiscal year 2008-2009 a deposit to the pre-tax 457 plan will be made effective January 1, 2009. For fiscal year 2009-2010 a deposit to the pre-tax 457 plan will be made effective January 1, 2010. Employee also has the option of

receiving the payment in cash less applicable taxes and deductions. Payment would be made in the first full pay period in January.

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. The testing will be administered through Human Resources. A written request for testing must be submitted to Human Resources. If it is determined that the employee is fluent in Spanish, 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 President of the South Lake Tahoe Employees Association, Local #1 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.)

Program Revision Effective October 1, 2008:

- 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 – TRAINING PAY

Qualified employees in the Police Department assigned to train other employees shall receive an additional payment equal to 5% of their base hourly rate during the time they are actually engaged in training. Assignment as a Trainer shall be made at the sole discretion of the Chief of Police.

Section 2.16 – 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 Superintendent will place the Snow Removal Crew in an on-call status based on a system to be determined.

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 Superintendent 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 Superintendent 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.

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 Services, 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

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.

Every employee shall be encouraged to take vacation every year and may be required by the department to take sufficient vacation to keep their vacation balance under 240 hours limitation. Should an employee refuse to schedule or once scheduled, decide not to take vacation so that the vacation accumulation will exceed the 240 hours as of the last day of the first full pay period of the calendar year, said employee shall have their vacation balance reduced to 240 hours and shall not be paid for hours in excess of the maximum. Should the department refuse to allow an employee to take vacation, and said employees vacation balance exceeds the 240 hours by the last day of the last full pay period in a calendar year, said employee will be paid the cash equivalent of earned vacation over the 240 hours which cannot be taken.

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 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 Accrual

1. Employees covered by this MOU may elect to accrue either forty (40) or eighty (80) additional hours of vacation per year provided, however, that any employee who so elects this additional accrual will take a reduction in pay equivalent to the additional hours accrued. This additional accrual 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

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 accrued under this provision within twelve months following completion of the additional accrual. The provisions of section 3.5 shall apply to this additional vacation accrual.

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 rate of pay for the position upon the date of termination.

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. Active Employees:

Employees whose accumulated sick leave exceeds five hundred twenty (520) hours at the beginning of the second full pay period in December 1999, shall have those hours in excess of five hundred twenty (520) hours placed in a catastrophic leave bank . Those employees with catastrophic leave may, at their discretion, use the catastrophic leave in lieu of regular sick leave. Once catastrophic leave has been used, it cannot be re-accrued.

Employees with catastrophic sick leave may, at the discretion of the employee, sell back or convert to vacation catastrophic leave at a rate of 75% of their current rate of pay. Once used, hours in the catastrophic bank cannot be replaced by accrual or other means.

2. Retired Employees

Employees retiring from City service shall receive a payment equivalent to one hundred percent of the employee's unused sick leave balance on record on the date of retirement.

3. 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.

4. 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.

5. 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, 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

For employees who work 30 hours per week or more, the City shall pay the monthly premium costs for the medical/dental and vision insurance for both employee and dependent coverage as outlined below. 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; subject to cost sharing outlined below. 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.

Except as provided below, no employee/employee organization/elected official will receive a better medical/dental package than the one outlined herein, without the improvement being applied to this unit. If other units trade salaries or benefits for significant improvements, the members of this unit shall be offered the opportunity to negotiate an equitable trade.

The Association agrees that the following shall not fall under nor be subject to the preceding paragraph regarding other "employee/employee organization/elected official":

City Council members may opt out of the City medical/dental insurance coverage upon proof of other insurance coverage. Such City Council member may qualify for a contribution paid directly to his/her alternate health plan provider by the City if the following conditions are met: (1) the City Council member was receiving medical/dental coverage from the City prior to opting for alternative coverage; (2) the City Council member is being required to pay for all or some portion of the alternate health plan; (3) the City's contribution for such alternate coverage will not exceed the dollar amount that the City would currently be paying for the Council member if he/she had continued coverage under the City's health/dental plan instead of opting for alternate coverage; 4) City Council members who choose to opt out of the city's health/dental plan under this paragraph are opting out permanently and will not be eligible to be re-accepted into the city's health/dental plan unless the City Council member experiences an event considered a "qualifying event" by the city's health plan in effect at the time the request to rejoin the city's plan is received; 5) under this paragraph, the City must pay the alternate health plan provider directly; payments can not be made to City Council members.

Section 4.2. HEALTH AND WELFARE

4.2.1 Coverage: Employees covered by this agreement shall be eligible to receive the insurance benefits outlined below. The summary plan descriptions and/or formal plan documents for these benefit programs are available from the City Human Resources and are hereby incorporated by reference into this agreement.

- 4.2.2 Dental Plan: Unless otherwise agreed upon by the parties, the dental plan benefit will continue for the term of this agreement. The City will pay the premium for employee only or employee plus dependent coverage for the term of this agreement.
- 4.2.3 Vision Plan: Unless otherwise agreed upon by the parties, the vision plan benefit will continue for the term of the agreement. The City will pay the premium for employee only or employee plus dependent coverage for the term of this agreement.
- 4.2.4 Employees Hired Prior to January 1, 2008: The City and Association agree that, unless otherwise agreed upon, the following low-deductible medical benefit will continue for the term of this agreement.

Fiscal Year 2007-2008: The City agrees to contribute the dollar amount necessary to fund the premium for low-deductible individual employee coverage or family coverage for the period of October 1, 2007 through September 30, 2008 for medical, dental and vision.

Fiscal Year 2008-2009: Effective October 1, 2008, employees will be required to fund a share of the premium for low-deductible individual employee coverage or family coverage based upon the calculation method described below and as described in Appendix C:

- a. Using the monthly premiums for the fiscal year 2007-2008 as a base, employees will fund 50% of the increase in premium. Premiums will be determined by the City based upon advice of the health plan underwriters, third party administrator and other consulting services. The City reserves the right to make determinations regarding the premium level which may include increasing the aggregate funding percentage up to no more than 100%.
- b. Employee share of the premium will be deducted from pay each pay period using pre-tax money in accordance with Section 125 of the IRS code. In the event the employee is in an unpaid status (leave without pay) the employee share of the premium shall be paid each pay period on an after-tax basis.
- c. Effective January 1, 2009, employees hired prior to January 1, 2008 may select the high-deductible health plan described in Section 4.2.5 below. The employee's selection will occur on an annual basis during the open-enrollment period.

Fiscal Year 2009-2010: Effective October 1, 2009, employees will be required to fund a further share of the premium for low-deductible individual employee coverage or family coverage based upon the calculation method described below and as described in Appendix C:

- a. Using the base amount for fiscal year 2008-2009 plus the City's 50% contribution for fiscal year 2008-2009 as a revised base, employees will fund 50% of the increase over the revised base. Premiums will be determined by the City based upon advice of the health plan underwriters, third party administrator and other consulting services. The City reserves the right to make determinations regarding

the premium level which may include increasing the aggregate funding percentage up to no more than 100%.

- b. Employee share of the premium will be deducted from pay each pay period using pre-tax money in accordance with Section 125 of the IRS code. In the event the employee is in an unpaid status (leave without pay) the employee share of the premium shall be paid each pay period on an after-tax basis.

4.2.5 Employees Hired on or after January 1, 2008: The City and Association agree that the following high-deductible medical benefit will continue for the term of this agreement.

- a. Premiums and Deductibles: The City will pay the premium for high-deductible individual employee or family coverage. Individual employee coverage includes a \$1,250.00 annual deductible and \$2,000.00 annual out-of-pocket maximum for preferred provider care. Family coverage includes a \$1,250.00 per person (employee and family members) annual deductible with a \$2,500.00 total family annual maximum deductible for preferred provider care. Family coverage also includes a \$2,000.00 per person (employee and family members) annual out-of-pocket maximum with a \$6,000.00 total family annual out-of-pocket maximum for preferred provider care. Out-of-pocket maximum does not include the deductible.
- b. Health Reimbursement Arrangement (VEBA funded HRA): Each employee receiving the high-deductible medical benefit will have a Health Reimbursement Arrangement (HRA) account under the City's healthcare funding investment program. The City will administer HRA accounts in the manner required by Federal law and employees will vest in their HRA accounts to the extent permitted by law. The City will make an initial \$1,000.00 contribution into a VEBA trust to fund the HRA account for each employee hired on or after January 1, 2008. The City will also contribute \$35.00 per month for individual employee coverage and \$100.00 per month for family coverage into the VEBA funded HRA account for each employee participating in the high-deductible program. The City contribution will start at the beginning of the first full calendar month of employment.

4.2.6 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 \$5,000 of life insurance.

4.2.7 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.

4.2.8 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.

Spouse's both employed by the City of South Lake Tahoe must both independently have at least employee only health coverage under the City's plan.

4.2.9 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.

SECTION 4.3 RETIREE HEALTH

4.3.1 Employees Hired Prior to January 1, 2008 -

- a. Retired Medical/Dental Plan - Employees who retire from City service after January 1, 1992 shall be eligible to maintain membership in the City miscellaneous employee medical/dental plan by assuming the following percentage of the established retiree premiums for employee only or employee and dependents:

<u>Years of Service with the City (from date of permanent hire)</u>	<u>% of Retiree Premium Paid by the City</u>
Twenty-five (25) years or more	100%
Twenty (20) years or more	75%
Fifteen (15) years or more	50%
Ten (10) years or more	25%
Less than ten (10) years	0%

Employees who retire from City service after February 21, 2007 shall be eligible to maintain membership in the City miscellaneous employee medical/dental plan by assuming the following percentage of the established retiree premiums for employee only or employee and dependents:

<u>Years of Service with the City (from date of permanent hire)</u>	<u>% of Retiree Premium Paid by the City</u>
Twenty-five (25) years or more	100%
Twenty (20) years or more	75% plus 5% for each additional year
Fifteen (15) years or more	50% plus 5% for each additional year
Ten (10) years or more	25%
Less than ten (10) years	0%

Employees hired after June 18, 2002 shall only be eligible to receive single coverage for City paid retiree medical insurance, and at the same percentages based on years of service as currently provided.

Coverage shall continue indefinitely, however, the City health plan shall become a secondary plan to all components of Medicare at the time the retiree is eligible for the Medicare program.

- b. Retiree Vision Care - Retirees may purchase, at their own expense, the City sponsored vision care plan at the same rate the City pays on behalf of employees, if the retiree elects medical coverage.
- c. Retiree Death Coverage – For unit members hired prior to June 18, 2002 who have dependent retiree coverage: Upon the death of a retiree, the retiree spouse will be eligible to continue coverage at the same percentage as that prior to the retiree’s death. Such coverage will continue until the spouse is eligible for Medicare at which time the city health plan will become secondary to all components of Medicare.

Upon the death of a retiree who retired prior to October 31, 1998 the following plan document provision applies:

“The Employer will continue to make the same contribution for the coverage as if the employee or retiree were still alive for the first twenty-four (24) months of that continuation. After twenty-four (24) months, coverage may be continued under the Continuation of Coverage (COBRA) provision of This Plan for an additional 12 months; provided the dependents elect coverage under that provision. The Covered Dependents will be totally responsible for contributions after the Employer's contributions cease.”

- d. Employees eligible for the defined-benefit benefit described in this section 4.3.1 may opt-out of that benefit and choose instead to participate in the Retiree Medical Savings Account benefit described below in section 4.3.2. The employee’s decision to opt-out of the defined-benefit benefit will occur during an open-enrollment period and is irreversible.

4.3.2 Employees Hired On or After January 1, 2008

- a. Retiree Medical Savings Account: Employees hired on or after January 1, 2008 will participate in a Retiree Medical Savings Account (RMSA) instead of being eligible to continue to participate in the City’s health plan during retirement as described in Section 4.3.1 above. The City will contribute \$50.00 for each pay period that an employee is in a paid status to each participating employee’s RMSA beginning the first full calendar month of the employee’s participation in the RMSA benefit. Upon retirement in good standing from the City, employees hired on or after January 1, 2008 may use their RMSA funds to purchase retiree health benefits from third-party providers of their choice and receive reimbursement for other incurred medical expenses as prescribed in Section 213(d) of the Internal Revenue Code.
- b. Vesting: City contributions are vested on the following schedule:

<u>Years of Service with the City (from date of permanent hire)</u>	% of Account Vested
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%

- c. 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 for retirees.

Section 4.4 - HEALTH CARE OVERSIGHT COMMITTEE

The City and Association agree to participate in a Health Care Oversight Committee. The City will invite representatives from other employee organizations to participate on this committee. The Health Care Oversight Committee will be responsible for reviewing the City health plan to insure that the plan continues to provide appropriate and cost-effective benefits for City employees and their dependents. The committee may review levels of benefits, cost distribution and appropriate funding levels for the City Plan.

The City agrees to take reasonable actions to budget appropriate funding of the Health Insurance Reserve Fund.

Section 4.5 - RETIREMENT BENEFITS

4.5.1 Definition - For the purpose of this agreement, a retired employee is defined as an employee who retires from the City of South Lake Tahoe under the provisions of the Public Employees' Retirement System.

4.5.2 Retirement Plan - All employees in this unit shall be members of the Public Employee's Retirement System (PERS). In exchange for a reduced COLA in 2002/03, the City shall pay the 8% employee contribution (formerly paid at 7%) required for each employee.

The Association and the City agree to the revision of the PERS Contract which involves implementation of the 2.7% @ 55 retirement option for miscellaneous employees. It is understood by both parties that, under PERS regulations, all miscellaneous employees employed by the City must be covered if the option is to be implemented.

Section 4.6 - 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 4.7 - EMPLOYEE WELLNESS AND PHYSICALS

A. Physical Exams

The City shall provide a fully paid physical exam performed by the City-selected physician once every two years.

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 patient/physician relationship, such information shall not be public. 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 Parks and Recreation Department.
2. Cost of the Card is \$15.
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 Parks and Recreation Department upon presentation of valid City employee identification.
5. Employee 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 Parks and Recreation employee is on duty during those hours to provide access at the facility;
 - b. Use of the facility during said hours do not interfere with the activities of maintenance employee(s);
 - c. Employees must leave the facility in an orderly and clean condition.

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

C. Nicotine Use Restrictions

As a condition of employment, new employees hired after 1-1-08 shall be prohibited from using nicotine on or off duty.

Section 4.8 - SHOP TOOLS

The City agrees to continue the replacement or purchase of new required personal tools in accordance with the following procedures:

Requests for replacement or purchase of new required tools will be made by requisition requests to the Public Services 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 4.9 - 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. Uniform allowances are hereby authorized for police records employees required to wear standardized clothing in the performance of assigned duties. The police records employees eligible for uniform allowance and the authorized rate of compensation for such allowance is Senior Police Records Technician and Police Records Technician at \$575.00 per year. This allowance is effective October 1, 1998.

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 4.10 - 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 4.11 – 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 4.12 - 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. The City shall grant a reasonable amount of paid release time from work for one employee to assist the appellant in preparing and presenting an appeal at any level of this procedure.

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 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 employee's department head will usually be the Skelly Officer.

The department head/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, and any other parties requested by 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

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 from a list of qualified individuals provided by the State Mediation and Conciliation Service. The City and the appellant 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 hearing 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 association 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 Supreme 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 presented by individual(s) of his or her choice in preparing and presenting a grievance at any stage of this procedure.

The City shall grant a reasonable amount of paid release time from work for one employee as identified by the grievant to assist the grievant in preparing and presenting the grievance at any level 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 Association as their representative, the Association shall be notified of the grievance if such grievance reaches Step III. The Association 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 Association.

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 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. Supervisor

Within thirty (30) days following knowledge of the event or action on which the grievance is based, the employee shall notify his/her immediate supervisor either orally or in writing of the nature of the grievance. Within ten (10) working days of being notified of the grievance, the supervisor shall meet with the grievant, investigate the alleged grievance, and provide the grievant an answer to the grievance.

Step II - Department Head

If the grievance is not resolved in Step I, the grievant may submit a written grievance to his/her department head within ten (10) working days of receiving the Step I response.

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. Date discussed with supervisor, and a copy of the supervisor's response, if that response was in writing.
6. The action the grievant believes will resolve the grievance.
7. The name of the representative(s), if any, chosen by the grievant to participate in the grievance procedure.

If the Department Head believes the grievant has failed to provide this information, he/she shall inform the grievant of the deficiency(ies) and the grievant shall be given five (5) working days to perfect and resubmit the grievance.

The department head shall investigate the issues, meet with the grievant, 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 III - City Manager

If the grievant is not satisfied with the resolution presented by 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 II 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 IV - Hearing Officer

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.

The outside hearing officer shall be selected by the Human Resources Manager and the grievant from a list of qualified individuals provided by the State Mediation and Conciliation Services. The City and the grievant 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 Association, the Association shall have standing at any hearing as a party of interest, but shall not be responsible for costs of the hearing officer.

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 Supreme Court under CCP 1085.

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 C 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.
- 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 C 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 C 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 C.
 - (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 C 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	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 health plan coverage for themselves and their families, if their families are enrolled in the City health plan at the time the layoff notice is issued according to the following schedule:

<u>Years of*</u> <u>Service</u>	<u>Months of Continued</u> <u>Health 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

* 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 health insurance as they are receiving at the time the layoff notice is issued and can continue their health insurance coverage if they continue to pay the same additional premium as they are paying at the time the lay off notice is issued.

Laid off employees who become eligible for another employer sponsored health plan shall no longer be eligible for the City paid health 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 health 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 health 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.

IN WITNESS THEREOF, the parties hereto have executed this Memorandum of Understanding this 12 day of June 2008.

SOUTH LAKE TAHOE CITY
EMPLOYEES ASSOCIATION
BY Jim Groh
BY _____
BY _____
BY _____

CITY OF SOUTH LAKE TAHOE
BY _____
BY _____

APPENDIX A – CLASSIFICATIONS IN THE GENERAL/PUBLIC WORKS UNIT

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

Senior Permit Technician
Senior Police Records Technician
Senior Public Works Inspector
Senior Recreation Receptionist
Sign Maintenance Technician
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

EXAMPLE OF CALCULATION FOR HEALTH SHARE COST SHARING

LOW DEDUCTIBLE MEDICAL PLAN USING FAMILY PREMIUM

October 1, 2007 to September 30, 2008 Family Premium = \$1314¹
City paying 100% of the premium = \$1314

October 1, 2008 to September 30, 2009
Assume 8% premium increase.² New Family Premium = \$1419³
Premium less base: \$1419 - \$1314 = \$105 increase
50% of increase = \$52.50
City pays \$1314 + \$52.50 = \$1366.50 (new "base" going into next year)
Employee pays \$52.50 per month

October 1, 2009 to September 30, 2010
Assume 8% premium increase. New Family Premium = \$1533
Premium less base: \$1533 - \$1366.50 = \$166.50
50% of increase = \$83.25
City pays \$1366.50 + 83.25 = \$1449.75 (new "base" going into next year)
Employee pays \$83.25 per month

¹ Example is based on family premium. Same formula will be applied to employee-only premium.

² Premium increase percentage will be calculated each year.

³ Total monthly premium has been rounded to nearest dollar.