AGREEMENT

between

THE CITY OF LINCOLN CITY

and

LOCAL 3498 OF THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES UNION (AFSCME), COUNCIL 75

JULY 1, 2015 – JUNE 30, 2018

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PREAMBLE

Section 1. Parties

THIS AGREEMENT is entered into upon execution by and between the City of Lincoln City, Oregon, hereinafter referred to as the "City" and the American Federation of State, County and Municipal Employees Union, Council 75, Local #3498, hereinafter referred to as the "Union".

Section 2. Purpose

It is the purpose of this Agreement to achieve and maintain harmonious relations between the City and the Union, provide for equitable and peaceful adjustments of differences between the parties and set forth the full and complete Agreement between the parties with regard to wages, hours and terms and conditions of employment for all employees represented by the Union.

ARTICLE 2

UNION RECOGNITION, RESPONSIBILITY AND SECURITY

Section 1. Recognition

The City recognizes the Union as the exclusive representative for purposes of establishing standards for wages, hours and terms and conditions of employment for all regular full-time and part-time employees once they have worked at least five hundred twenty (520) hours for part-time and one thousand forty (1040) hours for full-time during the preceding six (6) month period ending July 1st and January 1st who are employed in one of the classifications set forth in Appendix "A" of this Agreement and have completed their probationary period. All other employees, including but not limited to those employed as supervisors, confidential employees, temporary employees, part-time other employees and seasonal employees are excluded from coverage under this Agreement.

Section 2. Union Responsibility

The Union will represent all employees in the bargaining unit equally and without discrimination regardless of membership status.

Section 3. Union Membership

Membership or non-membership in the Union will be the individual choice of the employees covered by this Agreement; provided, however that any employee covered by this Agreement who chooses not to be a member of the Union will pay a fair share payment to the Union equal to the Union's dues in order to defray the cost of services for negotiations and contract administration.

Section 4. Dues Deductions

The City agrees to deduct the Union specified amount for dues payment from the paychecks of all regular full-time and part-time employees and transmit this payment to the Union. Deductions will be taken from the employee's first paycheck and each one thereafter pursuant to this Agreement. Authorization by the employee will be on forms maintained by the Union and may be revoked by the employee upon request. The Union is responsible for maintaining records reflecting who is a member and who is paying fair share.

Section 5. Objections

Any employee who has an objection to payment of Union dues or fair share payment that is based on bona-fide religious tenets or teachings of a church or religious body or where an employee possesses a sincerely held religious belief, will promptly inform the City and the Union of his or her objections. The employee will meet with representatives of the Union to establish a mutually satisfactory arrangement for the employee to make a monetary contribution to a non-religious charity in an amount equal to regular Union membership dues.

Section 6. Indemnification

The Union agrees to indemnify and hold the City harmless against any and all claims, suits or other forms of expense or liability arising out of action taken by the City in compliance with the Union's directives under this Article.

Section 7. Representatives

The Union will inform the City in writing of the names of the representative stewards and business representatives with the authority to represent it. The Union will promptly inform the City of all changes in its designated stewards and business representatives within one (1) week of when the change is made. Only those designated individuals will be accepted by the City as representatives of the Union.

Section 8. Union Activities

The Union agrees that the activities of all of its representatives will not interfere with the work duties of the employees. Meetings between Union stewards and employees will be conducted at meal periods, breaks and before or after shifts, except as provided in *Article 19, Section 6*. Likewise, the Union and its representatives will not solicit for Union membership during working time.

The City agrees not to discriminate in any way against any employee of the bargaining unit based on his or her Union membership or authorized activities.

Section 9. Bulletin Boards

The City agrees to provide space on department bulletin boards or provide a Union bulletin board for bargaining unit employees. The Union may place notices to employees of matters pertaining to Union business on these bulletin boards. All notices will be signed by a representative of the Union who has had authorized approval by the Union to approve Union notices.

ARTICLE 3

MANAGEMENT RIGHTS

Section 1. Retention of Rights

Except as otherwise expressly and specifically limited by the terms of this Agreement, the City retains all customary, usual and exclusive rights; decision-making; prerogatives; functions and authority connected with, or in any way incidental to, its responsibility to manage the affairs of the City or any part of the City. The rights of employees in the bargaining unit and the Union hereunder are expressly limited to those specifically set forth in this Agreement and the City retains all prerogatives, functions and rights not specifically limited by the terms of this Agreement. The City has no obligation to negotiate with the Union with respect to any such subjects, the exercise of its discretion or any

decision-making with regard to its management rights. Any subjects covered by the terms of this Agreement are closed to further negotiations for the term of this Agreement. Likewise, any subject that was or might have been raised in the course of collective bargaining is closed for the term of this Agreement.

Without limitation, but by way of illustration, some of the exclusive prerogatives, functions and rights of the City include the following:

- a. To direct and supervise all operations, functions and policies of the departments in which the employees of the bargaining unit are employed as well as the operations, functions and policies in the remainder of the City as they may affect employees in the bargaining unit, provided that doing so does not violate this Agreement.
- b. To close or liquidate an office, branch, operation or facility or combination of facilities, or to relocate, reorganize or combine the work of divisions, offices, branches, operations or facilities for budgetary or other reasons. In the event the City determines it is necessary to subcontract bargaining unit work, the Union will be provided at least sixty (60) days notice, unless such work is required to be completed on an emergency basis. The City reserves the right to subcontract out bargaining unit work which is required to be completed on an emergency basis as it deems necessary for public health, safety and welfare. The City may implement the decision to subcontract non-emergency bargaining unit work after the sixty (60) day notice. Before subcontracting out bargaining unit work that is not presently subcontracted, the City will honor its legal obligations regarding bargaining of decision and impact of the subcontracting. For the purposes of this Article, emergencies include situations arising from acts of God, unforeseen events that interrupt essential City services and equipment failures.
- c. To determine the need for a reduction or an increase in the workforce and the implementation of any decision with regard to that reduction.
- d. To establish, revise and implement standards for performance, discipline, quality of work, safety, materials, equipment, uniforms, appearances, methods and procedures. It is jointly recognized that the City must retain broad authority to fulfill its responsibilities and may do so by oral or written work rules, existing now or established in the future.
- e. To manage and direct the workforce, including, but not limited to: the right to determine the methods, processes and manner of performing work; the right to hire, promote, transfer and retain employees as in accordance with this Agreement; the right to reorganize; the right to determine schedules or work and the right to dispose of, purchase and assign equipment or supplies.
- f. To discipline, suspend, demote or discharge a regular employee for just cause. Probationary employees may be disciplined, suspended, demoted or discharged for any reason and may not challenge such action through *Article 21*.
- g. To determine the need for additional educational courses, training programs, on-the-job training and cross training and to assign employees to such duties for periods to be determined by the City.

EMPLOYMENT CLASSIFICATIONS

Section 1. Probationary Employees

a. Initial Probationary Period:

An employee will be regarded as a probationary employee for the first six (6) months of employment counted from the most recent date of hire. Probationary periods may be extended by mutual written agreement between the Union and the City for up to an additional six (6) months at any time prior to the conclusion of the probationary period.

b. Promotional/Transitional Probationary Period:

An employee who moved into a new position, such as a lateral position change or a promotion, will serve a new probationary period of one hundred twenty (120) days but will not cease any benefits already being earned. If, during the probationary period, that employee is determined not to be successful in his or her new position, the employee will be returned to either his or her prior position or a similar position upon mutual agreement. Should "bumping" need to occur to enable the employee to return to his or her prior position (e.g. terminating a newly hired/probationary employee who filled the position vacated by a promoted employee or moving that employee to a different position if one is available for which the newly hired/probationary employee meets qualifications), the City will do so and the Union will support this action. Probationary employees may be discharged or disciplined at-will and have no recourse to challenge discipline or discharge under the grievance procedure set forth at *Article 21*.

Section 2. Regular Employees

A regular employee is one who is appointed to a budgeted position after completing the probationary period and employed on a full-time or part-time basis.

A full-time employee is one who holds an appointment at 1.0 FTE and regularly works the full workweek as defined in *Article 7*, *Section 1*.

A part-time employee is one who holds an appointment at less than 1.0 FTE and regularly works at least twenty (20) but less than forty (40) hours per week based on the employee's average hours worked as set forth in *Article 2, Section 1*.

Section 3. Emergency Responders

Effective May of 2010, all Public Works and Parks employees are emergency responders (except those whose primary workplace is City Hall). Effective July 1, 2012, all Information Technology employees are emergency responders. As emergency responders, these employees, if reasonably available, must respond to an emergency within thirty (30) minutes after being called by their Supervisor or the Department Head. Beginning July 1, 2012, all employees hired into regular budgeted positions must reside within a thirty (30) minute travel time from the work location where they generally report to work. Beginning July 1, 2012 emergency responders may not move to a residence that is outside the thirty (30) minute travel time from the work location where they generally report to work.

Section 4. Part-Time Other Employees

An employee who holds an appointment at less than 1.0 FTE and works less than twenty (20) hours per workweek on average is a "part-time other" employee. A part-time other employee is not a regular employee for purposes of this Agreement. Employees remaining in part-time other positions in excess of these provisions will be eligible for recognition by the Union following discussion and upon written agreement in accordance with *Article 2*, *Section 1*.

Section 5. Temporary and Seasonal Employees

Seasonal employees are employees who perform services on an assignment basis when needed by the City not to exceed six (6) months.

Temporary employees are employees who perform services for the period necessary to cover an employee on an authorized leave of absence or for limited duration appointments to complete specific work projects not to exceed one (1) year.

Temporary and seasonal employees are not covered by the terms of this Agreement and are not entitled to receive any benefits under this Agreement.

Section 6. Employees Remaining in a Seasonal or Temporary Position

Employees remaining in seasonal or temporary positions in excess of the provisions of the preceding paragraph will be eligible for recognition by the Union following discussion and upon written agreement in accordance with *Article 2, Section 1*. If the seasonal or temporary employee is transferred directly without a break-in-service into a regular position, the employee will begin his or her probationary period on the status change date but the employee's start date will revert back to the first day of seasonal or temporary employment for seniority purposes as set forth in *Article 8*.

Section 7. Employees Hired from a Seasonal or Temporary Position into a Regular Position

Any employee hired from a seasonal or temporary position of any duration into a regular position without a break-in-service will be recognized by the Union in accordance with *Article 2, Section 1*. In this instance, the employee will begin his or her probationary period on the status change date but the employee's start date will revert back to the first day of the seasonal or temporary employment for seniority purposes as set forth in *Article 8*.

ARTICLE 5

ESTABLISHMENT OF A NEW POSITION

Section 1. Written Notice of New Position

The City agrees to give written notice to the President of the Union and the recognized Council Representative of the establishment of any new positions in the bargaining unit. The notification will include the job description and the proposed pay rate for that position. If the Union does not agree that the pay rate set for the position is proper, the Union may request negotiation of that issue. A request by the Union to negotiate must be made within fifteen (15) business days following receipt of notification from the City.

Section 2. Written Notification of Exclusion from the Bargaining Unit

If the City establishes a new position that is not clearly excluded from the bargaining unit under ORS 243.650 or reclassifies an existing bargaining unit position such that it is no longer within the bargaining unit, the City will notify the Union in writing within fifteen (15) days following the action clearly stating why the City believes the position is outside the bargaining unit. The Union must notify the City in writing within fifteen (15) days from receipt of the notification if it disagrees with the exclusion of the position from the bargaining unit or the matter becomes closed. If notice of the disagreement is received within the fifteen (15) day period, the parties will meet within fifteen (15) days of that date to discuss the matter. If an agreement is not reached within thirty (30) days, the Union may submit the matter to the Employment Relations Board. If the Union does not submit the matter to the Employment Relations Board within the specified thirty (30) day period, the matter will be considered resolved.

ARTICLE 6

EQUAL EMPLOYMENT OPPORTUNITY

It is the continuing policy of both the City and the Union to comply with all Federal and State equal employment opportunity laws and to not discriminate against any employee because of race, color, age, sex, religion, national origin, sexual orientation, gender identity or other protected class status.

ARTICLE 7

WORK SCHEDULES/HOURS OF WORK AND PAYDAYS

Section 1. Workweek

The workweek, to the extent consistent with the operating requirements of the department, will consist of four (4) consecutive ten (10) hour shifts or five (5) consecutive eight (8) hour shifts as scheduled by the Department Head and approved by the City Manager. The workweek will commence on 12:00 a.m. Sunday and end on 11:59 p.m. Saturday.

Section 2. Workday

Subject to the operating needs of the City, the regular hours of work for regular full-time employees each day will be eight (8) consecutive hours or ten (10) consecutive hours as is appropriate and approved for the work being done/departmental needs, except for rest and meal periods. To the extent consistent with operating requirements of the department, the number of hours to be worked each day will be established at least seven (7) calendar days in advance of when the employee is scheduled to perform the work unless the change is mutually agreed upon by the Department Head and the employee. Changes from four (4) ten (10) hours shifts to five (5) eight (8) hours shifts or the reverse cannot occur within the same workweek. In emergency situations, as determined by the City and for the duration of the emergency, employees may work up to eighteen (18) hours per day.

Section 3. Work Schedules

a. Scheduling Requirements:

All employees of the bargaining unit will be scheduled to work with pre-designated starting and quitting times as designated on a work schedule. Daily and weekly work schedules may be changed from time to time by the City to meet City service needs. Work schedules will include two

(2) consecutive days off each week for regular full-time employees, unless the employee is on-call pursuant to Article 15, section 1 or except as provided in paragraph c. below.

b. Notice Requirements:

Work scheduled will generally be established with seven (7) days notice. Except for emergency situations, as determined by the City and for the duration of the emergency, full-time regular employees will be notified of changes in established work schedules twenty-four (24) hours prior to the effective date of the change unless the change is mutually agreed upon by the Department Head and the employee.

c. Departments Requiring Greater Scheduling Flexibility:

There are several departments within the City that require greater flexibility in scheduling due to the operational and customer service needs of the department. Many of these flexibility needs can be met by part-time and FLSA exempt staff whose employment status anticipates scheduling flexibility. However, there are times when a full-time non-exempt employee may be requested to work a day that was not previously scheduled. In this instance, the following will occur:

- A. In the Library, full-time regular non-exempt employees assigned to work the Circulation Desk will be subject to changes to their established work schedules on a reverse seniority rotating basis and no more than once per month. Employees subject to changes to their established work schedules may not receive two (2) consecutive days off during the workweek within which the schedule change occurs.
- B. In the Community Center, full-time regular non-exempt employees will be subject to changes to their established work schedules on a reverse seniority rotating basis and no more than twice per month. Employees subject to changes to their established work schedules may not receive two (2) consecutive days off during the workweek within which the schedule change occurs.
- C. In the Information Technology Department, full-time regular employees will be subject to changes to their established work schedules as business needs require. Employees subject to changes to their established work schedules may not receive two (2) consecutive days off during the workweek within which the schedule change occurs.
- D. In the Visitor and Convention Bureau (VCB), employees will be subject to changes to their established work schedules as business needs require. Employees subject to changes to their established work schedules may not receive two (2) consecutive days off during the workweek within which the schedule change occurs.

Section 4. Rest Periods

A rest period of fifteen (15) minutes will be permitted for all employees during each half-shift. Rest periods will be scheduled in accordance with the operating requirements of the department and the law. Employees will be given the opportunity to use the nearest sanitary facility outside of designated breaks provided that notification is given per department policy to ensure proper coverage.

Section 5. Meal Periods

To the extent consistent with the operating requirements of the department and the law, meal periods will be scheduled in the middle of the work shift and given to the employee on an uninterrupted basis. Employees are not compensated for meal periods and meal periods are not counted in consecutive work hours. Meal periods may be automatically deducted for employees using the time clock and

working consecutively for six (6) hours or more in a shift, or the employee may be required to clock in and out for the required meal period at management discretion and with notice to the employee,. If employees are interrupted during their meal period for any work-related reason, they should notify their manager to ensure that a full meal period is given or the employee is properly compensated. If such notification is not given by the end of the pay period, the employer will assume a proper break was given and issue pay accordingly. Meal periods must be taken in accordance with law. Failure to do so may result in discipline.

Section 6. Clean Up Time

Employees are entitled to include, as part of their regular straight-time hours worked, the time they actually spend washing, showering and changing clothes after completing their assigned work, where such activity is necessary due to contamination of their clothing or person from the use of or exposure to hazardous substances such as herbicides, chemicals, and sewage as determined by the City. Necessary time spent washing, showering or changing clothing will be limited to a maximum of up to thirty (30) minutes on these occasions, except under unusual circumstances where additional time is deemed necessary by the City.

Section 7. Attendance

Employees are expected to work a complete designated workday as scheduled. If an employee, for some unavoidable reason, cannot report to work, the employee is expected to notify his or her Supervisor or Department Head as soon as possible, but in no event later than the start of his or her shift. If an employee's Supervisor or Department Head is not available within this time period, the employee is expected to notify another person as directed by the Department Head. Absence from work without notice is considered to be indifference to the City's interest and may result in disciplinary action. Excessive absenteeism is grounds for discipline up to and including discharge.

Section 8. No Guarantee of Work

Nothing in this Article or Agreement will be considered a guarantee of hours or work unless expressly provided otherwise.

Section 9. Proper Time Record Keeping

Employees are required to fully, accurately and properly complete all time records required by the City. If any changes are made to the time record submitted by an employee, the employee's immediate Supervisor will make a good faith effort to notify the employee of those changes prior to the payday.

Section 10. Paydays

Employees will be paid on an every two (2) weeks pay cycle paid every other Tuesday and no later than ten (10) calendar days after the end of the pay period. The City reserves the right to make changes to pay periods and agrees to notify the employees and the Union at least thirty (30) days in advance of any such changes.

SENIORITY AND LAYOFF

Section 1. Continuous Service

Seniority will, for the purpose of this Agreement, be defined as an employee's length of continuous service for the City without a "break in seniority" as defined in Section 2 below. To qualify for seniority an employee must complete his or her probationary period. Upon completion of probation, an employee's seniority date will revert back to the most recent date of hire.

Section 2. Break in Seniority

Seniority is broken by any of the following:

- a. Discharge for just cause of a regular employee.
- b. Discharge at-will for a probationary employee.
- c. Voluntary termination or retirement.
- d. Absence from work due to layoff for a period of one (1) year.

Section 3. Layoff

Any layoff of regular employees will be conducted only after a thorough and proper evaluation has occurred in accordance with this Article and all applicable laws and practices. No less than thirty (30) days notice will be given to employees who are subject to layoff unless State or Federal law requires otherwise. Recall rights will apply to all employees who have been laid off as outlined in Section 4 below.

Section 4. Application of Seniority to Layoff

In the event the City determines that a layoff is necessary, the City will first layoff any seasonal, temporary, part-time other, probationary or regular part-time employees before laying off regular full-time employees holding positions within the same classification in which layoffs will occur within a department. The City may retain the employees who are most qualified to perform the work remaining. If the layoff takes place in a classification within a department in which two or more employees are working, the most senior employee in that classification will be determined to be most qualified. In determining an employee's qualifications, for all other layoffs, the City will take into consideration employee knowledge, skills, ability and work records. Where the City determines the qualifications of two or more employees are relatively equal, the most senior employee(s) will be retained.

Section 5. Application of Seniority to Recall

Employees will be recalled in reverse order of layoff subject to the same conditions. An employee who is laid off will remain on the laid off list and be eligible for recall for a period of one (1) year from the date of the employee's last day of work prior to layoff. No new employees will be hired into a vacant bargaining unit job classification from which employees have been laid off until the recall list is exhausted, provided that the laid off employee(s) possess the minimum qualifications for the position. In this instance, the City will notify laid off employee(s) of a position opening by registered letter,

return receipt requested, at his or her address of record. Laid off employees will have seven (7) calendar days from the receipt of the notification to indicate their acceptance or rejection of the position and an additional seven (7) days after that to begin re-employment. Any employee who fails to respond to the letter or declines the position forfeits all rights of employment.

Section 6. Severance

When a regular employee loses employment with the City due to layoff, the employee will receive severance pay when all of the following are met:

- a. The employee fills a regular part-time or full-time position that has been eliminated,
- b. The employee is not offered another full-time position with the City if the employee is full-time and the employee is not offered another part-time position with the City if the employee is part-time,
- c. The employee is full-time and chooses to leave the City's employment rather than accepting any part-time reassignment that may be offered,
- d. The position is eliminated with less than three (3) months notice to the employee and
- e. The employee signs a full release of liability to the City approved by the City Attorney.

Severance pay will be in the amount of salary (less payroll taxes) for a period equal to one (1) week for each year of service (calculated based on full years of service) but no less than two (2) weeks. Any years of service that were not at the same number of hours per week will be calculated proportionately.

ARTICLE 9

OVERTIME AND COMPENSATORY TIME

Section 1. Overtime Pay

a. Regular Full-Time Employees:

All regular full-time non-exempt employees will be paid overtime pay at time and one-half (1½) for all hours worked over forty (40) hours in a workweek.

All regular full-time non-exempt employees will be paid overtime pay at time and one-half ($1\frac{1}{2}$) for all hours worked over eight (8) hours in a workday or ten (10) hours for those employees working a fourten (4x10) schedule.

The only exception to the eight- (8) or ten- (10) hour overtime rule applies only to the employees of the Visitor and Convention Bureau (VCB), Library, Community Center and IT Department according to *subsection c.* below.

b. Regular Part-Time Employees:

Regular part-time non-exempt employees in the VCB, Library, Community Center and IT will be paid overtime pay at time and one-half (1½) for all hours worked over forty (40) in a workweek. In all other departments, if a regular part-time employee works over eight (8) hours in a day without first being provided at least forty-eight (48) hours of notice of a schedule change, he or she will receive pay at time and one-half (1½) for hours worked in excess of eight (8) hours.

c. VCB, Library, Community Center and IT Employees:

Employees of the VCB, Library, Community Center and IT may waive overtime earned over eight (8) or ten (10) hours in a day upon mutual written agreement. Once an agreement has been reached, it will be in place and applied by the City until it is withdrawn, in writing, by the employee.

Section 2. Overtime Provisions

- a. There will be no pyramiding of overtime pay.
- b. Overtime will be kept at a minimum and authorized by the City.
- c. Holiday pay is considered hours worked for the purpose of computing overtime.
- d. Overtime will be computed to the nearest quarter (.25) hour.

Section 3. Compensatory Time

The purpose of compensatory time is to provide employees greater flexibility while also recognizing that budgeted funds are not always available for the payment of overtime pay. Provided that it is consistent with City and employee needs, overtime may be allowed in compensatory time off at the rate of one and one-half (1½) times the hours worked.

Section 4. Compensatory Time Provisions

- a. Eligibility for compensatory time must be approved by the City Manager, will be determined on a division-by-division basis and may be withdrawn at any time within the sole discretion of the City Manager.
- b. Compensatory time must be used within two (2) pay periods of when it was accumulated for all employees except those employed in the VCB. For VCB employees, compensatory time must be used within twelve (12) pay periods of when it was accumulated.
- c. Compensatory time accumulation will be tracked in a rolling month fashion and capped at forty (40) hours. Any compensatory time earned over the accumulation amount will be cashed-out in the following pay period.

Section 5. Compensatory Time Usage

When an employee in a division that is approved for compensatory time works overtime in accordance with this Article, he or she may elect to enter either compensatory time or overtime pay into the timekeeping system. Compensatory time may be used for any purpose and may be used in lieu of sick pay or vacation pay or in combination with either sick pay or vacation pay, at the election of the employee, provided that it is properly entered into the payroll system. Compensatory time may not be used in less than one (1) hour increments. Compensatory time off will be scheduled and taken only with the approval of the Department Head or his or her designee. Reasonable requests for compensatory time off will be granted unless they will disrupt City operations.

Section 6. Meal Allowance

In the event any employee is required to work three (3) or more hours beyond his or her regular eight (8) or ten (10) hour daily work schedule without interruption, the City will provide that employee with a meal.

HOLIDAYS

Section 1. City Holidays

All regular full-time employees are eligible to receive holiday pay for the following holidays: New Year's Day, President's Day, Martin Luther King Day, Jr., Memorial Day, 4th of July, Labor Day, Veteran's Day, Thanksgiving Day, the day after Thanksgiving and Christmas Day. If Christmas Eve falls on a Monday, the City will consider it a full paid holiday. If Christmas Eve falls on Tuesday through Friday, the City will provide a one-half (½) day paid holiday (4 hours of pay).

Section 2. Holiday Pay

a. Regular Full-Time Employees:

Regular full-time employees who qualify for holiday pay will be paid the equivalent of eight (8) hours pay at their regular rate or, in the case of exempt employees, will receive a continuation of salary for all recognized holidays.

b. Regular Part-Time Employees:

All part-time employees covered by this Agreement are eligible to receive pro-rata holiday pay for all recognized holidays according to their budgeted FTE designations as follows:

- Employees who carry a .5 FTE will be paid four (4) hours of holiday pay.
- Employees who carry a .6 FTE will be paid four and eight tenths (4.8) hours of holiday pay.
- Employees who carry a .75 FTE will be paid six (6) hours of holiday pay.
- Employees who carry a .8 FTE will be paid six and four tenths (6.4) hours of holiday pay.

At this time there are no employees with FTE designations other than those listed above. However, should that change, the employee would receive pro-rata holiday pay consistent with their FTE designation.

In the event that a half day holiday is provided to AFSCME employees, such as when Christmas Eve falls on a Tuesday through Friday, part-time employees will receive pro-rated holiday pay according to their budgeted FTE designations in the amount of half of what they would receive on a full day holiday.

c. Employees Necessary to Maintain Essential Services:

Employees whose duties are necessary to maintain essential City services may be required to work on holidays. Regular full-time employees who work on a holiday will be paid time and one-half (1½) for all hours worked on those holidays in addition to one (1) eight (8)-hour day of holiday pay at the straight time rate. The employee may elect to use the holiday pay as a paid day off on a different day any time within the same workweek upon supervisor approval. Holiday pay used in the same work week will also be paid at straight time.

d. Employees whose Scheduled Day Off Falls on a Holiday:

When a recognized holiday falls on an employee's regularly scheduled day off, that employee will receive eight (8) hours of holiday pay or the employee may elect to use the holiday pay as a paid day

off on a different day any time within the same workweek upon supervisor approval. In either case, the time is paid as straight time, unless overtime provisions dictate otherwise.

e. Holidays During Vacation:

Holidays that occur during an employee's scheduled vacation will not be charged against the employee's vacation pay.

ARTICLE 11

SICK PAY

Section 1. Sick Pay Accrual

Sick pay will be accrued by regular full-time employees at the rate of three and sixty nine one hundredths (3.69) hours per pay period for each full pay period of compensated time. Accruals will be pro-rated for pay periods that include unpaid time.

Part-time employees will accrue sick pay on an hour-by-hour basis such that each eligible employee will accrue 0.0462 of sick pay for each hour of compensated time.

Section 2. Sick Pay Accumulation

Unused sick pay will be accumulated to a maximum of two thousand (2,000) hours and will be retained in an individual employee's sick pay bank to be used as outlined in Sections 3 and 4 below.

Section 3. Sick Pay Increments

Employees are eligible to use unused sick pay in the amount of up to eight (8) hours per day, or up to one (1) shift where applicable, in increments of no less than fifteen (15) minutes for non-exempt employees and no less than four (4) hours for exempt employees.

For exempt employees this means:

- a. Any absence from work due to any of the reasons listed in this Article in Section 4 below for a period of up to four (4) hours may not be recorded as anything other than regular pay.
- b. Any absence from work due to any of the reasons listed in *Section 4* below for four (4) hours or more will be recorded as four (4) hours of sick pay unless it reaches eight (8) hours and in that case it will be recorded as eight (8) hours of sick pay.
- d. The only exception to this is if an exempt employee is on an approved medical leave pursuant to State or Federal law and in that case sick pay will be recorded in accordance with the law in no less than fifteen (15) minute increments.

Section 4. Sick Pay Usage

Sick pay may be used for any of the following reasons:

- a. Incapacitation from the performance of their duties due to illness or injury.
- b. If an employee is sent home by a Department Head due to an illness that may be contagious.

- c. To attend a medical appointment for examination or treatment for themselves or a defined family member.
- d. To attend to an ill or injured defined family member.

For the purposes of this Article "defined family member" includes the employee's current spouse, domestic partner, children (including step children and children of a domestic partner), parents, parents of a domestic partner, current mother-in-law or father-in-law, sister, brother, grandparents, grandchild or any other person at the discretion of the City Manager.

Section 5. Verification of Absence

Any employee who seeks to be paid sick pay may be required to present proper verification of the reason for the absence to the City when the City determines that such verification is reasonably necessary. When an employee is absent on account of illness or injury for three (3) or more consecutive work days or when the City has reasonable justification for suspecting the employee is abusing sick leave, the City may require a signed statement from the attending healthcare provider or another qualified individual certifying to the employee's inability to perform the employee's duties or certifying the illness or injury of the defined family member who necessitated the employee's absence.

When verification is required:

- a. The City will pay the treating healthcare provider's cost for the assessment if there is any additional cost.
- b. The employee will be on City time if verification is requested during a work day and the treating healthcare provider's office hours are during the employee's regular scheduled work time.
- c. This verification must be submitted as a condition for payment of sick pay benefits.

Section 6. Termination of Employment

At termination of employment, no payment will be made to the employee for accrued sick pay. Sick pay is not convertible to cash or any form of remuneration.

Section 7. Combined Sick and Vacation Pay Donation

Under extreme circumstances the City may, at the discretion of the City Manager, allow employee(s) to donate a combination of sick and vacation pay, or vacation pay only, to another employee who has suffered a serious non-occupational injury or illness. Employees donating sick and vacation pay may donate no less than four (4) hours and at least half of the total number of hours donated must be vacation pay. Employees donating sick and vacation pay may not deplete either their sick or vacation bank below eighty (80) hours. The employee receiving donated time must first exhaust all available sick pay, vacation pay and compensatory time, if applicable. Recipients will not be allowed to bank donated time. Recipients will not be allowed to simultaneously draw long-term disability pay and donated time. Sick and vacation pay hours will be paid at the pay rate of the employee receiving the benefit on an hour-for-hour trading basis.

VACATION PAY

Section 1. Vacation Pay Accrual

Full-time regular employees will accrue vacation time in accordance with the following schedule:

LENGTH OF CONTINUOUS SERVICE	AMOUNT OF VACATION PAY
At the completion of six (6) months of Service	40 hours
7 th month through 12 th month	3.08 hours/pay period
Second year (13 th month) through fourth year (48 th month)	4.02 hours/pay period
Fifth year (49 th month) through ninth year (108 th month)	5.23 hours/pay period
Tenth year (109 th month) through fourteenth year (168 th month)	6.15 hours/pay period
Fifteenth year (169 th month) through the nineteenth year (228 th month)	7.08 hours/pay period
Twentieth year (229 th months) through the twenty-fourth year (288 th months)	8 hours/pay period
Twenty-fifth year, and after	8.923 hours/pay period

All regular part-time employees covered by this Agreement will be eligible to receive vacation accrual on an hour-by-hour basis for each hour of compensated time based on eighty (80) hours per pay period at the completion of six (6) months of service at the end of the probationary period, whichever is sooner.

Section 2. Vacation Pay Increments

Employees are eligible to use unused vacation pay in an amount of up to eight (8) hours, or one shift where applicable, when the employee's vacation time request has been approved by the Department Head. Vacation pay can be used in no less than fifteen (15) minute increments for non-exempt employees and no less than four (4) hour increments for exempt employees.

For exempt employees this means:

- a. Any absence from work due to any of the reasons listed in *Section 4* below for a period of up to four (4) hours may not be recorded as anything other than regular pay.
- b. Any absence from work due to any of the reasons listed in Section 4 below for four (4) hours or more will be recorded as four (4) hours of vacation pay unless it reaches eight (8) hours and in that case it will be recorded as eight (8) hours of vacation pay.
- c. The only exception to this is if an exempt employee is on an approved medical leave pursuant to Federal or State law and in that case vacation pay used after sick pay is exhausted will be recorded in accordance with the law in no less than fifteen (15) minute increments.

Section 3. Vacation Pay Usage

Vacation pay is made available so employees may have rest and recreation. Vacation pay may be used when time off has been approved by the Department Head for leisure. Department Head approval will not be unreasonably withheld.

Vacation pay may also be used for any of the reasons set forth in *Article 11, Section 4* when sick pay has been exhausted. Vacation pay may not be used in lieu of sick pay.

Section 4. Vacation Pay Accumulation

Employees will not be allowed to accumulate more than three hundred twenty (320) hours of vacation pay. When three hundred twenty (320) hours of vacation has been reached, no additional vacation pay will accrue except when the employee has not been given a reasonable opportunity to take it.

Employees who are required to be on-call pursuant to *Article 15, Section 2* will not be allowed to accumulate more than three hundred forty (340) hours of vacation pay. For these employees, when three hundred forty (340) hours of vacation pay has been reached, no additional vacation pay will accrue except when the employee has not been given a reasonable opportunity to take it.

Section 5. Vacation Approval

The approval of a vacation schedule is the responsibility of the Department Head, based upon the operational needs of the City. The times during which an employee may take a vacation will be arranged in advance. In the event of a conflict between the vacation requests of employees, preference will be given to the most senior employee. However, the less senior employee will have preference the next time a conflict arises between the same employees.

Section 6. Limited Vacation Cash Out

In the event an employee makes a timely application for vacation time off, but is prevented from taking vacation due to City service needs, and the denial of vacation results in accumulation of more than three hundred twenty (320) hours, or three hundred forty (340) hours for employees who are required be on-call pursuant to *Article 15*, *Section 2*, the City will cash-out the employee's accumulated vacation in excess of the applicable vacation accrual limit during the following pay period or arrange for the employee to take scheduled vacation time off to assure compliance with the applicable vacation accrual limit.

Section 7. Employee Termination

Upon termination of employment with the City, the employee will be paid a lump sum for all accrued vacation that the employee has earned in accordance with these rules prior to the termination, except that no payment will be made for termination during an employee's probationary period. In case of death, compensation for accrued vacation pay will be paid in the same manner that salary due is paid to the decedent.

Section 8. Emergency Vacation Cash-Out

The City may, at its discretion, allow employee(s) to apply for an emergency-based cash-out of accrued vacation pay. This emergency cash-out will be granted at the discretion of the City Manager and provided that the employee does not deplete his or her vacation bank below one (1) week of vacation for full-time regular employees or the pro-rated share of that for part-time regular employees. Emergency vacation cash-outs will be issued one time during an employee's employment unless extreme unavoidable circumstances warrant an exception by the City Manager.

LEAVES OF ABSENCE

The City understands that circumstances arise from time to time that justifiably require an employee to be off work temporarily for periods of time. For that reason, the City recognizes the following leaves of absence:

Section 1. Personal Leave

A regular employee may be granted an unpaid leave of absence for personal reasons at the discretion of the City Manager as follows:

- a. Generally, unpaid leaves of absence may not exceed ninety (90) days. The City Manager may, however, authorize extensions.
- b. All personal leaves of absence and extensions must be authorized in writing and must contain a date certain for the employee to return to work.
- c. Employees are not entitled to accrue or accumulate sick pay or vacation pay during a personal leave of absence.
- d. Employees will continue to accumulate seniority during an authorized personal leave.
- e. When an employee is granted personal leave, the employee will be required to use all accumulated compensatory time, if applicable, vacation pay and sick pay (if appropriate) before the employee is placed on unpaid status. All time off, whether paid or unpaid, is part of the personal leave period.
- f. Employees who fail to return to work upon expiration of authorized leave will be subject to discipline up to and including termination under *Article 19*.

Section 2. Medical and Family Leave

Eligible employees who are off work due to a qualifying event for themselves or a defined family member will be granted an unpaid leave of absence in accordance with State and Federal law and City policy set forth at *Appendix "A"*. Employees who are absent from work on authorized medical or family leave will continue to accumulate seniority during the period of the leave. Employees on medical or family leave will not accrue sick pay or vacation pay during the period of their unpaid approved leave.

Section 3. Military Leave

Employees called to full-time or reserve military duties will be granted military leave of absence for that time in accordance with applicable State and Federal law and will retain their seniority rights under this Agreement and with the City. The City will pay any eligible regular employee fifteen (15) days/one hundred twenty (120) hours of military leave in each calendar year within which the employee takes any approved military leave for at least fifteen (15) days. Employees must submit documentation to verify the need for this leave.

Section 4. Jury Duty/Witness Leave

In the event any regular full-time or part-time employee is summoned to any court for the purpose of performing jury service or is required by the City to testify in any court or administrative proceeding, the employee will be compensated for any regularly scheduled working hours spent in the performance of that service. The amount of the compensation will be the straight-time wages lost by the employee as a result of jury duty, less compensation received for jury duty or witness testimony, exclusive of mileage reimbursement. The City may verify the amount received in jury pay or require it be turned over to the City, as a condition to payment.

Section 5. Bereavement Leave

In the event of a death in a regular full-time or part-time employee's immediate family, the employee will be granted necessary time off to make funeral and estate arrangements and/or attend and travel to and from the funeral to a maximum of three (3) days per occurrence or up to five (5) days if distant travel is required or depending on the employee's amount of participation in the arrangement process.

Immediate family will be defined as: current spouse, domestic partner, parent or step-parent, current mother in-law or father-in-law, brother, sister, child (including step-, foster or adopted child of an employee, spouse or domestic partner), grandparent, grandchild or any person in the employee's household.

Section 6. Voting Leave

Employees who are registered voters may be granted the necessary time off required to vote on election day, if they otherwise would not be able to vote due to their work schedule.

ARTICLE 14

SALARIES

Section 1. Market Survey and Total Compensation

The City and the Union have agreed to forego a market survey for the duration of this Agreement.

Section 2. Regular Salaries

- a. Effective the first day of the pay period beginning in July of 2015 wages for all employees will be increased by the change in the Portland CPI-W index, January to December of the previous year average with a minimum of one percent (1%) and a maximum of three percent (3%), which is known to be a 2.3% increase. Attached as *Appendix "A"* are the new salaries as of that date.
- b. Effective the first day of the pay period beginning in July of 2016, the wage rates for all bargaining unit employees will be increased by the change in the Portland CPI-W index, January to December of the previous year average, with a minimum of one percent (1%) and a maximum of three percent (3%).
- c. Effective the first day of the pay period beginning in July 2017, the wage rates for all bargaining unit employees will be increased by the change in the Portland CPI-W index, January to December of the previous year average, with a minimum of one percent (1%) and a maximum of three percent (3%).

Section 3. Retirement

The City will continue to pick up, assume and pay a six percent (6%) employee contribution to the Public Employees Retirement Fund (PERS) for the employee members participating in PERS. Employees who are not participants in PERS at date of hire become eligible for PERS participation, in accordance with State law, on the first of the month following six (6) full calendar months of employment and six hundred (600) hours of work.

Section 4. Promotions

Upon promotion to a higher-graded position, the employee will move to a step within the new grade nearest to and exceeding his or her current salary before the promotion. Salary eligibility dates will not change upon promotion.

ARTICLE 15

PREMIUM PAY

Section 1. Call Out Pay

a. Call Out Before or After Completing a Shift:

If an employee is called back to work before or after completing his or her full shift the employee will receive a minimum of two (2) hours pay at the overtime rate of pay. If the same employee is called back to work within two (2) hours of the first call out, it is considered part of the minimum two (2) hours pay already earned. If the employee works longer than two (2) hours after being called back in to work, the employee will be paid the full amount of time worked at the overtime rate.

b. Call Out When the Employee is not Scheduled:

If an employee is called in to work on a day he or she is not regularly scheduled for any reason, such as an emergency, the employee will receive a minimum of two (2) hours pay at the overtime time rate for call out. If the employee works longer than two (2) hours after being called in to work on a day he or she is not regularly scheduled, the employee will be paid the full amount of time worked at the overtime rate.

c. Preventative Call Out:

If a Waste Water Plant, Waste Water Collections or Water Plant employee is assigned on a special schedule, approved by the Department Head, to come in to work on a Saturday or Sunday to perform preventive maintenance and other minimum requirements of operation (such as running data management systems, reading chemical levels, performing assessments, troubleshooting, calibrating and reporting) this work will be paid at time-and-one-half (1½) for the actual time worked.

Section 2. On-Call Pay

Employees who are required to be on-call will receive twelve (12) hours vacation pay accrual or twelve hours of straight-time pay for each week of on-call status. The choice between these options is up to the employee. Only one option can be chosen each pay period and must be chosen before the last day of the pay period.

Employees, within the same Department, may trade on-call assignments with notification to, and approval of, the supervisor.

If requested within fourteen (14) days of issuance of the yearly on-call assignment list, the City will meet and confer with the union over requested changes to the yearly rotation.

Section 3. Working out of Classification Pay

In the event an employee is assigned in writing by the Department Head and approved by the City Manager to perform the job of an employee in a higher paying job classification for a period forty (40) consecutive working hours or more, that employee will be eligible to receive a five percent (5%) increase on the employee's base wage rate on a temporary basis for the period where the increased responsibilities are required for that employee. Premium pay for working out of classification will be computed and applied on an hourly basis.

Section 4. Longevity/Employee Recognition

When a bargaining unit member reaches the following years of continuous, unbroken, service with the City, they shall receive a one-time payment of an amount equal to one percent (1%) of their total annual base wage: ten (10) years, fifteen (15) years, twenty (20) years, twenty-five (25) years and thirty (30) years.

ARTICLE 16

HEALTH AND WELFARE INSURANCE

Section 1. Health and Welfare Benefits

a. Medical and Vision Insurance

i. July 1, 2015 to December 31, 2015:

All full- and part-time employees covered by this Agreement will continue to be covered during the August 1, 2012 to December 31, 2013, January 1, 2014 to December 31, 2014 and January 1, 2015 to December 31, 2015 Plan years under their choice of City County Insurance Services (CIS) Employee Service Benefits (EBS) Trust Regence BlueCross BlueShield of Oregon (Regence) Plan V-C PPP Rx4 that has a \$300 individual/\$900 family deductible or V-E Rx4 that has a \$500 individual/\$1,500 family deductible. All full- and part-time employees covered by this Agreement will also be eligible for vision coverage under the Vision Service Plan (VSP).

ii. January 1, 2016 to June 30, 2018:

All full- and part-time employees covered by this Agreement will be covered under City County Insurance Services (CIS) Employee Service Benefits (EBS) Trust Regence BlueCross BlueShield of Oregon (Regence) Co-Pay Plan A. All full- and part-time employees covered by this Agreement will also be eligible for vision coverage under the Vision Service Plan (VSP).

b. Dental Insurance:

All full- and part-time employees covered by this Agreement will have the option to choose between Willamette Dental and Oregon Dental Services (ODS) Dental Plan III.

c. Coverage of Dependents and Families:

All full-time employees covered under this Agreement will be eligible for the coverage, as stated above, for themselves and their dependent or family members. All part-time employees covered under this Agreement will be entitled to the employee-only coverage specified above. However, part-time employees may elect coverage for their dependent or family members as specified in Section 2.a. below.

Section 2. Payment of Premiums

The City will pay the premium and will be reimbursed by the employee by payroll deduction for their portion as specified below. Payments are made by the City to the insurance carriers in the month prior to the coverage month.

- a. To the extent that a part-time employee elects coverage for his or her dependent or family member, the employee will reimburse the additional premium through payroll deduction.
- b. Through December 31, 2015 each employee will continue to contribute thirteen and three-quarters percent (13.75%) of the full new premium for the V-C (\$300/\$900 deductible) Plan and ten percent (10%) for the V-E (\$500/\$1,500 deductible) Plan for his or her level of coverage.
- c. The portion of the premium amount each employee will contribute for dental coverage will continue to be ten and one-half percent (10.5%) each year regardless of which medical plan the employee elects.
- d. Beginning January 1, 2016, and through December 31, 2016, each employee will contribute eight percent (8%) of the full premium for the Co-Pay Plan A.
 - Beginning January 1, 2017, and through December 31, 2017, each employee will contribute nine percent (9%) of the full premium for the Co-Pay Plan A.
 - Beginning January 1, 2018 each employee will contribute ten percent (10%) of the full premium for the Co-Pay Plan A.
- e. The parties agree to reopen this Article for mid-term bargaining if any of the health insurance plan premiums under this Agreement exceed the excise tax thresholds under the Affordable Care Act (ACA).
- f. The parties acknowledge that the requirements of the Affordable Care Act (ACA) may impose changes to insurance benefits and agree that no further bargaining obligation applies if/when such changes occur.

Section 3. Continuation of Coverage for Employees Absent due to On-the-Job Injury

The City will continue to contribute to the payment of health and welfare insurance on behalf of full-time employees, as outlined in *Sections 1 and 2* above, who are absent from work due to an on-the-job injury, for a maximum of six (6) months following the date of injury.

Section 4. The City's Reservation of Rights

If the full premium for the City's group health plan increases greater than five percent (5%) after the first year of the Agreement, the City reserves the right to alter the benefits of the group health plan to limit the premium increase to five percent (5%) over the premium of the prior year. The City may make such changes only after consulting with the Union during a period of thirty (30) calendar days.

The City also reserves the right to select a different insurance carrier or program, provided the City maintains the same eligibility rules and continues to provide its full-time and part-time employees with insurance benefits substantially equal to those set forth above.

Section 5. Long-Term Disability

The City will continue the current Long-Term Disability from The Hartford as outlined in the CIS package or equivalent for each employee covered under this contract.

Section 6. 125 K Plan

The City will make available to all employees a full Flexible Spending Account (FSA)/125K Plan in which the employee may set aside tax-sheltered income, through payroll deduction, up to the maximum amounts allowed by law for any purposes allowed by the terms of the law and the Plan.

Section 7. Life Insurance

The City will provide, without cost to the employee, a fifty thousand dollar (\$50,000) group term-life insurance policy for each employee covered under this Agreement.

Section 8. Release of the City's Obligation to Pay Premiums

The City's obligation to contribute to the payment of health and welfare insurance and other benefits identified in this Article on behalf of full- and part-time employees will end on the first day of the month following the month in which the employee exhausts his or her sick and vacation pay when he or she is on an approved medical leave or when employment is terminated.

Section 9. Insurance and Wellness Committee

The City and the Union are committed to the mission and goals of the Wellness Committee and will take steps to ensure that active participation occurs in this committee. The Wellness Committee will be comprised of a blend of City and Union employees from various departments with representation from each group matching with their share of the overall employee population. Each party will select its own representatives. The Wellness Committee will meet regularly and will engage in discussions and activities related to employee and family wellness with the goal of not only improving the health and wellness of the employee population but also reducing the increase in insurance premiums that results from poor/declining employee experience ratings.

ARTICLE 17

MILEAGE AND EXPENDITURE REIMBURSEMENT

Section 1. Mileage Reimbursement

The City will pay employees at the current established Internal Revenue Service (IRS) rate per mile when they are required to use their personal vehicle for City business.

Section 2. Reasonable Expenditures for Travel

Reimbursement for reasonable expenditures on approved work-related travel will be in accordance with the City's Travel Policy.

SAFETY

Section 1. Joint Endeavor

The City has a strong commitment to providing a safe workplace for its employees and establishing programs that promote high standards of employee safety and productivity. Federal and State safety regulations will be strictly observed by the City and all employees. The City, Union and employees will jointly endeavor to provide a safe and healthy workplace. Employees will be expected to perform their work in a safe manner, use all protective equipment required, engage in all required training and activities designed to ensure safety and comply with the safety rules of the City.

Section 2. Safety Committee

The Safety Committee will be comprised of a blend of City non-represented and Union employees with representation from each division whenever practical. Each party will select their own representatives. The Safety Committee will meet regularly and engage in discussions and activities related to ensuring safety in each worksite. In the event that an employee has a safety issue or concern, the employee should bring the issue or concern to his or her Supervisor and/or Department Head for resolution with the Safety Committee. The employee will not be ordered to perform any job reasonably believed to be unsafe until such time as the Safety Committee has completed its inspection.

The Safety Committee will have the following duties/powers:

- a. Make periodic inspections of the City's facilities and make recommendations for safety improvements.
- b. Investigation of the causes and prevention of reportable accidents and injuries as defined by OSHA.
- c. Promote and recommend the education of employees on safety and health issues.

Section 3. Tools and Equipment

The City will supply and maintain safety equipment for employees who are required to wear/use it. The City will supply and maintain all tools the City requires and deems necessary for the job, excluding personal tools used by the mechanic.

Section 4. Boot Allowance

For employees engaged in outside work or work with heavy equipment, upon presentation of worn out footwear and a receipt, the City will reimburse up to one hundred twenty five dollars (\$125.00) for replacement purposes.

Section 5. Drug- and Alcohol-Free Workplace

All employees must comply with the City's Drug- and Alcohol-Free Workplace Policy. Employees who are covered by Federal Department of Transportation (DOT) and State laws must also comply with the City's DOT Policy and will be furnished a copy of the Policy on an annual basis.

Section 6. Physical Examination

The City reserves its right to require an employee to undergo a physical examination or Independent Medical Evaluation (IME) at any time as it determines necessary where, due to performance considerations, the City has a reasonable concern regarding the employee's ability to safely, efficiently and effectively carry out his or her job functions. This may also be referred to as a Fitness for Duty Examination.

ARTICLE 19

DISCIPLINE OR DISCHARGE

Section 1. Discipline

The principle of progressive discipline will normally be followed. However, the parties recognize that some actions or behavior may be of such severity as to warrant very serious disciplinary action even in a first offense. Discipline will only be for just cause.

Section 2. Disciplinary Tools

Discipline will include, but not be limited to the following:

- a. Verbal warning
- b. Written reprimand
- c. Suspension without pay
- d. Demotion
- e Discharge

Section 3. Imposing Discipline

Discipline may be imposed on an employee for failure to satisfactorily fulfill the employee's responsibilities as an employee of the City as demonstrated through his or her performance, productivity, behavior or failure to adhere to policy.

Section 4. Goal to Assist an Employee to Improve Whenever Possible

If a Supervisor has reason to discipline an employee, a reasonable effort will be made to impose that discipline in a manner that will not embarrass or humiliate the employee before other employees or the public. It is the City's goal to make reasonable efforts to assist an employee to improve and become successful whenever possible and use of an action plan is recommended whenever appropriate.

Section 5. Probationary Employees

The provisions of this Article will not apply to employees who have not completed an initial probationary period of six (6) months (or during a probationary period that has been extended by mutual agreement). It is understood that the probationary period is a part of the selection process and designated to allow evaluation of an employee's fitness for regular status. As a result, a probationary employee may be discharged or otherwise disciplined without further recourse under this Agreement.

Section 6. Weingarten Rights

If a supervisor has reasonable cause to anticipate that disciplinary action will result from a meeting with an employee, the employee will be notified in advance of the right to have a representative from the Union present at that meeting. The role of the Union representative will be limited to that set out in guidelines by the Employment Relations Board. The right to have a Union representative present will not result in an undue delay of the meeting. The employee requesting a City employee Union representative will choose an employee who is on-duty whenever possible. If the City employee Union representative is not on-duty, he or she will volunteer his or her time without pay.

ARTICLE 20

PERSONNEL FILES

Section 1. Maintenance of Personnel Files

The City will maintain only one (1) official personnel file. Employees may inspect the contents of their personnel file, excluding confidential reports received from reference sources. No grievance documents will be kept in an employees personnel file after resolution of the grievance except for the grievance form and documents confirming resolution.

Section 2. Disciplinary Notices

Disciplinary notices and other documents critical of an employee's performance or conduct will not be placed in that employee's personnel file until after the employee has had an opportunity to review, initial or sign and date such document(s) acknowledging receipt. If an employee refuses to initial or sign a disciplinary notice it will be noted on the document and the document is still in effect and will be placed in the employee's file. If an employee believes the information contained in a document to be placed in the employee's personnel file is incorrect, the employee may submit a written, dated explanation in response to be placed in the employee's personnel file. Verbal warnings will not be maintained in the employee's personnel file unless followed by a written warning, and will not be subject to arbitration under Article 21.

Section 3. Removal of Written Reprimands

The City will remove from the employee's personnel file any written reprimands that are over thirty six (36) months old, provided that the employee has received a performance review and no additional discipline during that period. If the employee has not received a performance review within thirty six (36) months and the employee has received no additional discipline, the employee may request to the HR Department to have the document removed and the document will be removed no later than thirty (30) days from the date of the request.

Removed records of discipline will be maintained in a separate file for the duration of the Public Records Act retention period, and will be available for use to defend against a claim of disparate treatment or lack of notice.

Section 4. Written Performance Evaluations

A Performance Evaluation will be placed in the employee's personnel file after it is completed by the Supervisor, approved by the Department Head and delivered to the employee. If an employee has a factual disagreement with anything in his or her Performance Evaluation, he or she may submit a written, detailed explanation in response to be placed in the employee's personnel file. In addition, the

employee will be entitled to appeal the evaluation to the next-level Supervisor or Department Head (excluding the City Manager) and Human Resources.

ARTICLE 21

GRIEVANCE PROCEDURE

Section 1. Grievance

The grievance procedure is intended to provide for an orderly method of resolving grievances. For purposes of this Agreement, a grievance is defined as any dispute about the interpretation or application of a particular clause of this Agreement or any alleged violation of this Agreement.

Section 2. Grievance Meetings

When the City requires an employee to be present in a grievance meeting or disciplinary investigation, the employee will be paid at his or her appropriate rate of pay. Call out pay will not be paid to an employee for time spent in these activities. The City will, however, hold grievance meetings and disciplinary investigations during regular work hours of the employee(s) involved whenever practical.

Section 3. Timing and Process

Notwithstanding Step 1, grievances must be filed at Step 2 with the City within fifteen (15) days from the date of the occurrence, or the date the affected employee(s) or the Union knew or should reasonably have known of the occurrence, to be valid. The grievance will be in writing and signed by the affected employee(s) or the Union.

The grievance process includes the following:

STEP 1 The employee, with or without Union representation, will contact his or her immediate Supervisor to meet and discuss the alleged contract violation(s) prior to filling a written grievance at Step 2. The employee will clearly state that the discussion is pursuant to Step 1, so that the supervisor is on notice of the purpose of the discussion. This notice can be done verbally or in writing.

STEP 2 If the issue is unresolved after a thoroughly discussed and considered Step 1 meeting, the Union will submit the grievance, on an AFSCME Grievance Form, to the Department Head. If either party concludes that the Step 1 meeting was not thorough, either party has the right to require the parties to hold a second Step 1 meeting prior to moving to a Step 2. In this instance, the fifteen (15) day filing requirement will be tolled until the second Step 1 meeting occurs.

The written grievance will include the following information:

- A. A concise statement of the grievance and the facts upon which it is based.
- B. The specific remedial action requested.
- C. The specific Article(s) of this Agreement, if any, alleged to have been violated or misinterpreted.

The Department Head will meet with the employee and Union Steward or Representative to attempt to resolve the grievance within fifteen (15) days of receipt of the Step 2 Grievance Form. If the grievance is not resolved by the Department Head within five (5) days after meeting with the employee, the employee may, within five (5) days, proceed to Step 3.

STEP 3 The affected employee(s) have the right, within five (5) days after receiving a decision from the Department Head, to a hearing before the City Manager. The employee(s) may be represented by

a Union Council Representative as they deem appropriate. The hearing will be held at a mutually agreeable date, not to exceed seven (7) days from the date the employee(s) received the decision of the Department Head. The City Manager will render a decision within five (5) days following the hearing. If the grievance is not resolved through the decision of the City Manager, the Union may pursue the employee's arbitration rights as outlined below.

Section 4. Arbitration Timing and Process

Except as provided in Section 5 below, and as except as provided for in Article 20, Section 2, a grievance that cannot be resolved though a decision of the City Manager, may be referred to an impartial arbitrator mutually selected by the City and the Union. Arbitration requests must be received by the City Manager in writing within ten (10) days of the date of the City Manager's decision. Requests received after the ten (10) day period will be deemed waived and will not be arbitrable, unless the parties have agreed, in writing, to extend the time period for arbitration requests.

If the City and the Union are unable to informally agree upon an arbitrator, they will jointly request the State Mediation Services to submit a panel of seven (7) Oregon or Washington arbitrators to choose from. The grieving party will strike the first name, the City the second name, and so forth. The last remaining person from the list will be the arbitrator. The arbitrator's decision will be final and binding, provided the decision reached is within the scope of the arbitrator's authority as set forth in Section 5 below.

The cost of the arbitrator will be paid by the losing party. Each party will bear the cost of its own representation.

Section 5. Scope of Arbitrator

The arbitrator will rule only on the issue(s) presented and confine his or her decision to interpretation and application of the express language of this Agreement. The arbitrator will have no authority to interpret or in any way restrict the City in the exercise of its management rights under *Article 3* of this Agreement. The arbitrator will have no right to add to, delete from, modify, or nullify any provision of this Agreement.

Section 6. Other Grievance Provisions

- a. Any or all time limits specified in the grievance/arbitration procedure may be waived by mutual consent in writing between the Union and the City. Failure to submit a grievance in accordance with the steps and time limits described above without such signed waiver shall constitute abandonment of the grievance.
- b. A grievance may be terminated at any time upon receipt of a signed statement from the Union Council Representative or Local Union President that the matter has been resolved.
- c. For purposes of this Article, "days" refer to Monday through Friday, normal business days of the City.
- d. The Union will have the right to take up a grievance involving suspension without pay or discharge at Step 3 of the grievance procedure.

NO STRIKE CLAUSE

Section 1. Union No Strike Agreements

The Union agrees that during the term of this Agreement, neither the Union, nor its agents, nor its members will authorize, aid instigate, condone, or engage in a work slowdown, work stoppage, strike, or interruption of work.

In the event of a strike or other work action in any form, either on the basis of individual choice or collective employee conduct, the Union will make every effort, including public appeals, to secure an immediate and orderly return to work.

Members of the bargaining unit agree that they will not honor any picket line established by any labor organization, when called upon to cross such picket line in the performance of duty, except when in their reasonable determination, crossing such a picket line would jeopardize their safety.

Section 2. City No Strike Agreements

The City agrees that it will not lock out employees of the bargaining unit during the term of this Agreement.

ARTICLE 23

ENTIRE AGREEMENT

Section 1. Sole and Entire Agreement

This Agreement constitutes the sole and entire existing Agreement between the parties hereto and supersedes all prior agreements, oral or written, between the City and the employees represented by the Union, and expresses all obligations of and restrictions imposed on the City during its term.

Section 2. Amendments

This Agreement can be altered or amended only by written Agreement between the parties.

Section 3. Exercise of Right to Bargain

The parties acknowledge that, during negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject matter not removed from the area of collective bargaining and that the understandings and agreements arrived at by the parties after exercising that right and opportunity are set forth in this Agreement.

Section 4. No Further Bargaining Required

Each party to this Agreement voluntarily and unqualifiedly waives the right to further bargaining on any subject referred to or not in this Agreement, during the term hereof, even though such subject may not have been within the contemplation of either or both of the parties at the time they negotiated or signed this Agreement, except as provided by *Article 25* or by mutual agreement.

LABOR MANAGEMENT CONFERENCE COMMITTEE

Labor management meetings will be held at least quarterly if requested by either party to discuss problems of general or group nature that may arise during the term of this Agreement, including new programs that directly impact the employees. Additional meetings of this above named committee will be by mutual agreement.

ARTICLE 25

SAVINGS CLAUSE

Should any Article, clause, section, or portion thereof, of this Agreement be held unlawful and unenforceable by a Court of competent jurisdiction, such decision of the Court will apply only to the specific Article, section, or portion thereof, directly specified in the decision. Upon the issuance of such a decision, the parties agree immediately to negotiate, subject to State statute, a substitute, if possible, for the invalidated article, section, or portion thereof. All other provisions of this Agreement will remain in full force and effect for the duration of this Agreement.

ARTICLE 26

TERMINATION AND RENEWAL

This Agreement will be in full force and effect from the date the Council Representative and the City Manager sign the Agreement to and including June 30, 2018. Either party to this Agreement wishing to renew or modify must notify the other in writing no later than ninety (90) days prior to the expiration date or subsequent anniversary date of this Agreement.

TORTINE OF THE OFFICE O	
Ron Chandler, City Manager	<u> 12/18/15</u> Date
Don Williams, Mayor	<u> </u>
FOR THE UNION - AFSCME LOCAL 3498:	
Sik Mall	12/17/15
Rick Miller, President	Date /
	12/17/15
Joseph West, Council Rep.	Daţ/e ′

FOR THE CITY OF LINCOLN CITY:

APPENDIX A – WAGES 7/1/15

Grade	FLSA	Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
			26.61	27.95	29.35	30.80	32.37	33.97
15	Exempt	Engineer	2128.66	2235.87	2347.99	2464.20	2589.42	2717.91
	55 Market Print 1972		25.34	26.61	27.95	29.35	30.80	32.37
14	Exempt	GIS Analyst/Coordinator	2027.18	2128.66	2235.87	2347.99	2464.20	2589.42
		·	24.13	25.34	26.61	27.95	29.35	30.80
13	Exempt	Senior Accountant Reference Librarian	1930.61	2027.18	2128.66	2235.87	2347.99	2464.20
		,	22.99	24.13	25.34	26.61	27.95	29.35
12	Exempt	Planner	1838.94	1930.61	2027.18	2128.66	2235.87	2347.99
			21.88	22.99	24.13	25.34	26.61	27.95
11	Exempt		1750.56	1838.94	1930.61	2027.18	2128.66	2235.87
	Per de la constante de la cons		20.84	21.88	22.99	24.13	25.34	26.61
10	Exempt		1667.08	1750.56	1838.94	1930.61	2027.18	2128.66
Grade	FLSA	Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
15	Non- Exempt	Sr. IT System Administrator PT Engineer	26.09	27.40	28.77	-30.21	31.72	33.31
14	Non- Exempt	IT System Administrator Lead Plant Operator (Water&WW)	24.85	26.09	27.40	28.77	30.21	31.72
13	Non- Exempt	Lead Water Distribution Operator Lead WW Collections Operator	23.65	24.85	26.09	27.40	28.77	30.21
12	Non- Exempt	Plant Operator III (Water & WW)	22.53	23.65	24.85	26.09	27.40	28.77
11	Non- Exempt	Lead Mechanic Water Distribution Operator III Cross Connection Backflow Spec. WW Collections Operator III Pump Station Mechanic III	21.45	22.53	23.65	24.85	26.09	27.40

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10	Non- Exempt	Lead Streets Maintenance Worker Plant Operator II (Water & WW) Associate Planner Help Desk Support	20.43	21.45	22.53	23.65	24.85	26.09
9	Non- Exempt	Technician Facilities Manager WW Collections Operator II Pump Station Mechanic II	19.45	20.43	21.45	22.53	23.65	24.85
		Lead Parks Maint. Worker Water Distribution Operator II Volunteer Coordinator Mechanic Lead Bldg. MaintSec. Wkr ADA Coordinator			in the second control of the second control		The state of the s	
8	Non- Exempt	Plant Operator I (Water & WW) Engineering Technician Assistant Planner Sr. Streets Maintenance Worker Planning Permit Techician Youth Program Coordinator Outreach Services Coordinator Accounts Receivable Lead Admin. Coordinator (PW, VCB) Public Relations Coordinator	18.54	19.45	20.43	21.45	22.53	23.65
7	Non- Exempt	Municipal Court Clerk Sr. Parks Maintenance Worker Water Distribution Operator I WW Collections Operator I Admin. Technician (PW, VCB) Pump Station Mechanic I Sr. Accounts Payable Clerk Special Events Coordinator Emergency Prep. Coordinator Bldg. Maintenance-Security Wkr.	17.65	18.54	19.45	20.43	21.45	22.53

		Building Permit Technician Aquatics Lead Member Services Specialist	and the state of t		1		Abouts, and complete to	
6	Non- Exempt	A/R Permit Processor A/R Billing Specialist Streets Maintenance Worker Admin. Assistant (PW, VCB, Rec)	16.80	17.65	18.54	19.45	20.43	21.45
		GIS Technician	,					
5	Non- Exempt	CC-PD Maintenance Worker Parks Maintenance Worker	16.00	16.80	17.65	18.54	19.45	20.43
		Water Distribution Utility Worker WW Collections Utility Worker Open Space Maintenance Coordinator		·				
4	Non- Exempt	Account Clerk I Counter Clerk Library Assistant III	15.24	16.00	16.80	17.65	18.54	19.45
3	Non- Exempt	Building Permit Assistant Library Assistant II Recreation Leader III	14.53	15.24	16.00	16.80	17.65	18.54
2	Non- Exempt	Library Assistant I Sous Chef	13.83	14.53	15.24	16.00	16.80	17.65
1	Non- Exempt	Recreation Leader II	13.17	13.83	14.53	15.24	16.00	16.80

^{*} Includes 2.3% COLA effective first payperiod beginning in July 2015 (7/5/15)

MEMORANDUM OF UNDERSTANDING

This agreement is entered into by and between the City of Lincoln City (City) and the American Federation of State County and Municipal Employees Council 75, Local 3498 (Union). The purpose of this memorandum is to set forth supplemental and clarifying language to Article 7, Section 3cD, Article 12, Vacation, Section 1 and Article 15, Premium Pay, Section 2, Paragraph 2.

Under Article 7, Section 3cD the language currently states as follows: In the Visitor and Convention Bureau (VCB), employees will be subject to changes to their established work schedules as business needs require. Employees subject to changes to their established work schedules may not receive two (2) consecutive days off during the workweek within which the schedule change occurs. This MOU changes the language to the following: All VCB employees shall have schedules set with regular starting and quitting times and these schedules shall provide for at least two (2) consecutive days off per workweek whenever practicable. However, upon mutual agreement between the employee and Department Head, VCB employees may be scheduled with one (1) day off per workweek or may waive all scheduled days off in any given week.

Under Article 12, Vacation, Section 1 the following wording will be added directly after "Twenty-fifth year, and after" (289th months)

Under Article 15, Premium Pay, Section 2, Paragraph 2 the following wording will be inserted directly after "may trade" and before "on-call assignments:" Or Give Up

Ronald F. Chandler, for the City

Rick Miller, for the Union

Date: 1/5/2016

Date: /2-2/-/5