

**MEMORANDUM OF UNDERSTANDING
BETWEEN
CITY OF GRIDLEY
AND
INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS
LOCAL UNION 1245**

2005-2006

2006-2007

2007-2008

2008-2009

TABLE OF CONTENTS

TITLE	DESCRIPTION	PAGE
Title 1	PREAMBLE	
1.1	Principals	2
1.2	Non-discrimination	2
1.3	City Union Relations	2
1.4	Rights of Employees	2
1.5	City Rights	3
1.6	Section Titles	3
Title 2	RECOGNITION	
2.1	Recognition	3
2.2	Applicability	3
2.3	Representation	4
Title 3	UNION SECURITY	
3.1	Check Off Dues	4
3.2	Union Information	5
Title 4	UNION ACTIVITY	
4.1	Union Orientation	5
4.2	Lists	5
4.3	Non-discrimination	5
4.4	Representatives of Union	5
4.5	Bulletin Boards	6
4.6	Negotiations	6
Title 5	GRIEVANCE PROCEDURE	
5.1	Statement of Intent - Notice	6
5.2	Step One: Shop Stewards	7
5.3	Step Two: Department Head	7
5.4	Step Three: City Administrator	7
5.5	Step Four: State Mediator	8
5.6	Step Five: City Council	8
5.7	Forfeiture	8
5.8	Enabler Clause	8
Title 6	DISCIPLINARY APPEAL PROCESS	

6.1	Pre-Disciplinary Procedures	9
6.2	Right of Appeal	11
Title 6.1	DISCIPLINARY PROBATION	
6.1.1	Disciplinary Probation	13
6.1.2	Background	13
Title 6.2	POLICY FOR A DRUG AND ALCOHOL FREE WORKPLACE	
6.2.1	Purpose	14
6.2.2	Use and Sale of Drugs	14
Title 7	SAFETY	
7.1	Prevention of Accidents	15
Title 8	EMPLOYEE STATUS	
8.1	Employee Designation	16
8.2	Employee Defined	16
8.3	Probationary Employee	16
8.4	Temporary Employee	17
8.5	Regular Part-time Employee	17
Title 9	WAGES AND CLASSIFICATIONS	
9.1	Wages	17
9.2	Pay Day	18
9.3	Wage Schedule	18
9.4	Longevity Pay	20
9.5	Classification Specifications	20
9.6	Employee Suggestion Award Program	20
9.7	Assignment Pay - Senior Maintenance Worker (Sewer-Water)	20
9.8	Sewer and Water Certificates	20
9.9	Bilingual Pay	21
9.10	Class B Drivers License Incentive Pay	22
9.11	Rubber Glove Certification	22
9.12	Cell Phone Allowance	23
Title 10	HOURS AND OVERTIME	
10.1	Workweek and Basic Workweek	23
10.2	Overtime Defined	24
10.3	Overtime Compensation	24

10.4	Standby	24
10.5	Overtime Meals	25
10.6	Paid Rest Period	25
Title 11	PROMOTION AND TRANSFER	
11.1	Posting Vacancies	25
11.2	Senior Maintenance Worker	26
11.3	Bypass for Lack of Qualifications	26
Title 12	DEMOTION AND LAYOFF	
12.1	Notice	26
12.2	Layoff	26
Title 13	LEAVE OF ABSENCE	
13.1	Eligibility	26
13.2	Period of Leave	27
13.3	Status	27
13.4	Commence and End	27
13.5	Reinstatement	27
13.6	Termination of Service	27
13.7	City "Leave of Absence"	28
13.8	Military "Leave of Absence"	28
13.9	National Guard	28
13.10	Funeral Leave	29
13.11	Jury Duty	29
13.12	Benefits While on Leave	29
13.13	Application	30
Title 14	SICK LEAVE	
14.1	Accumulation	30
14.2	Allowance	30
14.3	Workers' Compensation	30
Title 15	HOLIDAYS	
15.1	Holiday Entitlement	30
15.2	Saturday or Sunday Holiday	31
15.3	Work on Holidays	31
Title 16	VACATIONS	
16.1	Vacation Allowance	31
16.2	Sick Leave	32
16.3	Unused Vacation	32

Title 17	MISCELLANEOUS		
17.1	Anti-Abrogation	32	
17.2	Flexible Work Schedule	33	
17.3	Plant Operator Position	33	
17.4	Senior Electrical Line Worker Position	33	
17.5	Training	33	
17.6	Tuition Reimbursement	34	
Title 18	BENEFITS		
18.1	Health Insurance	34	
18.2	Dental Plan	36	
18.3	Life Insurance, Long Term Disability		36
18.4	Cafeteria Benefit Fund	36	
18.5	Computer Loan Fund	41	
Title 19	RETIREMENT		
19.1	Sick Leave Pay-off	42	
19.2	Public Employees Retirement System (P.E.R.S.)	43	
19.3	Deferred Compensation Program	43	
19.4	ICMA Retirement Health Savings Plan	43	
Title 20	TERM OF AGREEMENT		
20.1	Term	43	
20.2	Changes to MOU	44	
Document of Execution		45	
Exhibit "A" - Schedule of Wage Rates			
Exhibit "B" - Job Descriptions			
Exhibit "C" – Supplemental Exhibit for Section 18.4C (Health Premiums)			

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING, effective as of the 1st day of July, 2005, by and between the designated representatives of the **CITY OF GRIDLEY** (a public agency as defined in Section 3501 (c) of Chapter 10 of Division 4 of Title 1 of the Government Code of the State of California), hereinafter referred to as the CITY, and the designated representatives of **LOCAL UNION 1245 OF INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS**, affiliated with the American Federation of Labor-Congress of Industrial Organizations (a recognized employee organization as defined in Section 3501 (b) of Chapter 10 of Division 4 of Title 1 of the Government Code of the State of California), hereinafter referred to as UNION, WITNESSETH that:

WHEREAS, the parties hereto desire to facilitate the peaceful adjustment of differences that may from time to time arise between them, to promote harmony and efficiency to the end that the CITY, UNION and the general public may benefit therefrom, and to establish fair and equitable wages, hours and working conditions for certain hereinafter designated employees of the CITY,

NOW, THEREFORE, the parties hereto do agree as follows:

TITLE 1. PREAMBLE

1.1 PRINCIPALS

The parties acknowledge the provisions of Chapter 10 (Section 3500, et. seq.) of Division 4 of Title 1 of the Government Code of the State of California.

1.2 NON-DISCRIMINATION

It is the policy of the CITY and UNION not to, and neither party will interfere with, intimidate, restrain, coerce or discriminate against any employee because of race, creed, sex, color or national origin.

1.3 CITY - UNION RELATIONS

This Memorandum of Understanding is intended to promote, and shall be so construed and interpreted as to carry out the following general purposes. The CITY and UNION agree to promote harmonious relations between the parties and other employee groups; establish and maintain an orderly bargaining procedure; work to provide the best possible service for the general public; prompt and fair disposition of all grievances and disputes; and adhere to this Agreement.

1.4 RIGHTS OF EMPLOYEES

Employees have the right to organize or join employee organizations of their own choice for the purpose of representation on all matters of employer-employee relations. Employees are free to join or not to join an employee organization and shall have the right to refuse to join or participate in the activities of employee organizations. Membership or non-membership in an employee organization is not a condition of employment and the employee will not be granted preferential treatment nor will he/she be withheld from equitable treatment because of either membership or non-membership in such an organization. Each employee has the right to represent himself individually in his employment relations with the City. Employees shall not have the right to strike or to recognize a picket line of a labor organization while in the course of the performance of their official duties.

1.5 CITY RIGHTS

City retains, solely and exclusively, all the rights, powers and authority exercised or held prior to the execution of this Memorandum of Understanding, except as expressly limited by law of this Memorandum of Understanding. Without limiting the generality of the foregoing, the rights, powers, and authority retained solely and exclusively by CITY include, but are not limited to, the following: To manage and direct its business and personnel; to manage, control and determine the mission of its departments, building facilities, and operations; to direct the work force; to hire, transfer, promote, and maintain the discipline and efficiency of its employees; to establish work standards, schedules of operation and reasonable work load; to specify or assign work requirements; to schedule working hours and shifts; to determine the type and scope of work to be per-formed by City's employees and the services to be provided; to classify positions; to determine the methods, processes, means and places of providing services.

1.6 SECTION TITLES

Section Titles in this Agreement are for identification purposes only, and are not to be used for the purpose of interpreting either the intent or the meaning of the language of any section.

TITLE 2. RECOGNITION

2.1 RECOGNITION

The CITY recognizes the International Brotherhood of Electrical Workers, Local Union 1245, hereinafter referred to as the UNION as the exclusive representative of all employees of the CITY who hold a classification listed on "Exhibit B", except management, confidential or employees covered by the Gridley Police Officers' Association. The provisions of this Memorandum of Understanding, hereinafter set forth, shall apply only to those employees of the CITY of Gridley for whom Local Union 1245 is the established exclusive representative.

2.2 APPLICABILITY

The provisions of this Agreement shall be limited to their application to employees of CITY in the bargaining unit described in Section 2.1. Wherever the words "employee" and

"employees" are used in this Agreement, they shall, unless otherwise noted, be construed to refer only to the employees described in Section 2.1 for whom UNION is the exclusive bargaining representative. The respective obligations of the parties herein shall be operative only insofar as UNION acts in the capacity of exclusive bargaining representative of said employees.

2.3 REPRESENTATION

Before any action is taken which could result in possible discharge or other disciplinary action against an employee, the CITY shall provide a written, formal charge which states:

- (a) The charge;
- (b) The reason for the charge;
- (c) The proposed action to be taken;
- (d) A copy of all materials upon which the charge is based, to the extent that such materials are currently available to the CITY;
- (e) A statement of rights to UNION representation;
- (f) A statement of rights to respond.

Any employee, at this request, shall be permitted representation by a UNION representative. The foregoing shall apply to written reprimands, disciplinary actions and hearings, providing there is no unreasonable delay in obtaining representation.

TITLE 3. UNION SECURITY

3.1 CHECK OFF DUES

A. The CITY shall make monthly payroll deductions of UNION dues from the earnings of each individual employee who is a member of the UNION, and who individually and voluntarily authorizes such deductions in writing in accordance with the provisions of Section 1157.3 of the Government Code of the State of California.

B. Deductions shall be made from the second payroll period of each month and a check for the total deductions shall be submitted to the Financial Secretary of Local Union 1245, I.B.E.W., P.O. Box 4790, Walnut Creek, California 95496, within five (5) working days of the date the dues are withheld from the employee's check. The CITY shall notify the UNION each

month at the time of the dues transmittal to UNION of any changes since the previous dues transmittal and the reasons therefor.

3.2 UNION INFORMATION

The CITY shall provide all new employees with UNION Member-ship application forms, payroll deduction authorization forms, and a copy of the Memorandum of Understanding on or before the first day of employment. Such materials will be furnished to the CITY by the UNION.

TITLE 4. UNION ACTIVITY

4.1 UNION ORIENTATION

The CITY shall give the Shop Stewards one (1) hour, with all new employees, for the purpose of explaining CITY policies, UNION Contract orientation, and enrollment into the UNION. This time shall be compensated for by the CITY and shall be done within five (5) days following the date of hire.

4.2 LISTS

A. On or before February 28th of each year, CITY shall furnish UNION with a list showing the name, Social Security number, home address, home telephone number, employment date, and classification of each employee.

B. Upon ten (10) working days after a new employee is hired, CITY shall provide UNION the following information: name of individual, Social Security number, employment date, classification, date vacancy filled.

4.3 NON-DISCRIMINATION

Neither the CITY nor the UNION, shall interfere with, intimidate, restrain, coerce, or discriminate against any employee because of his membership, or non-membership, in UNION or his activity on behalf of UNION.

4.4 REPRESENTATIVES OF UNION

A. The UNION'S Representatives shall be permitted by the CITY to transact UNION business on the premises of the CITY during working hours. Such time shall not interfere with

the current work in progress.

B. UNION Shop Steward shall only transact UNION business on the premises of the CITY with approval of the appropriate Supervisor, whose permission shall not be unreasonably denied.

4.5 BULLETIN BOARDS

The CITY agrees to provide adequate space on the bulletin boards, in employee assembly areas, for dissemination of UNION information to its members.

4.6 NEGOTIATIONS

Three (3) UNION Members shall be allowed time off to meet with CITY to negotiate changes in the Memorandum of Understanding, Retirement Plan, or new conditions not covered in the Agreement. This time off shall be compensated for by CITY at the normal rate of pay.

TITLE 5. GRIEVANCE PROCEDURE

5.1 STATEMENT OF INTENT - NOTICE

It is the intent of both the UNION and the CITY that the processing of disputes through the Grievance Procedure will give meaning and content to the Memorandum of Understanding (M.O.U.) through a concise procedure for resolution of disputes. It is therefore the stated purpose of this procedure to:

- (a) Avoid grievances and misunderstandings;
- (b) Orally handle as many grievances as possible within the framework of this Agreement;
- (c) Expeditiously investigate and quickly dispose of such grievances or problems;

The UNION and the CITY agree that they will continue to work within the framework of the Agreement to further the above-stated objectives. Should the above fail to resolve a grievance, the following steps shall be utilized to resolve the dispute between the parties.

Disputes involving the following subjects shall be determined by the Grievance Procedure established herein:

- (a) Interpretation or application of any of the terms of this Agreement, including Exhibits thereto, Letters of Agreement, informal interpretations and clarifications executed by the UNION and the CITY.
- (b) Discipline, other than discharge, demotion, or suspension of any employee.
- (c) Disputes as to whether a matter is proper subject for the Grievance Procedure.

Objections or disputes regarding discharge, demotions, or suspensions of any employee are not proper subjects to be determined by the grievance procedure established in Title 5 of this Memorandum of Understanding, but are proper subjects under Title 6 of this Memorandum.

5.2 STEP ONE: SHOP STEWARDS

The initial Step in the adjustment of a grievance shall be the presentation of a written grievance setting forth (1) the action complained of, (2) the rule, procedure or other policy claimed to have been violated or not followed by the action, and (3) the employee's proposed solution, followed by a discussion between the Shop Steward and the immediate Supervisor directly involved, or Department Head as applicable, who shall answer within five (5) working days. This Step shall be started within fifteen (15) working days of the date of the action complained of, or the date the grievant became aware of the incident which is the basis for the grievance.

5.3 STEP TWO: DEPARTMENT HEAD

If a grievance is not resolved in the initial Step, the Second Step shall be a discussion between either the Shop Steward, or the UNION'S Business Representative, and the Department Head who shall answer within ten (10) working days. This Step shall be taken within ten (10) working days of the date of the immediate Supervisor's answer in Step One.

5.4 STEP THREE: CITY ADMINISTRATOR

If a grievance is not resolved in the Second Step, the Third Step shall be presentation of the grievance, in writing, by the UNION'S Business Representative to the City Administrator who shall answer, in writing, within ten (10) working days. The Third Step shall be taken within ten (10) working days of the date of the answer in Step Two.

5.5 STEP FOUR: STATE MEDIATOR

The decision of the City Administrator shall be final and binding unless either party requests mediation by filing, with the City Clerk, a written request within ten (10) working days of the City Administrator's decision. The Fourth Step shall be a presentation of the grievance to the State of California Mediation and Conciliation Service. The parties shall request the first available date for a review of the grievance. The type of mediation assistance shall be determined by the assigned State Mediator. Mediation shall be non-binding.

5.6 STEP FIVE: CITY COUNCIL

If the grievance is not resolved by the parties in mediation, the City Administrator's decision (as determined in Step 3, above) shall be binding, unless a timely notice of appeal to the City Council is filed. The notice of appeal shall be in writing and filed with the City Clerk within ten (10) days following the conclusion of the mediation. A majority decision of the quorum of City Council at the appeal hearing shall be binding upon both parties.

In considering any grievance brought before the City Council, the City Council may conduct such additional investigation and take such additional evidence as it may desire, in the Council's sole discretion.

5.7 FORFEITURE

Failure by either party to meet any of the aforementioned time limits as set forth in Section 5.2, 5.3, 5.4, or 5.5 shall result in forfeiture by the failing party. Except, however, that the aforementioned time limits may be extended by mutual agreement. Grievances settled by forfeiture shall not bind either party to an interpretation of this Memorandum of Understanding nor shall such settlements be cited by either party as evidence in the settlement of subsequent grievances.

5.8 ENABLER CLAUSE

Notwithstanding the aforementioned procedure, any individual employee shall have the right to present grievances to the City and to have such grievances adjusted without the intervention of UNION, provided that the adjustment shall not be inconsistent with this

Memorandum of Understanding, and provided, further, the UNION'S Business Representative shall be given an opportunity to be present at such adjustment, as an observer only.

TITLE 6. DISCIPLINARY APPEAL PROCESS

6.1 PRE-DISCIPLINARY PROCEDURES

Pre-Disciplinary Procedures Applicable to All Regular Employees (Applies only to Demotions, Suspensions, Dismissals):

- (a) When the decision has been made by the Department Head that disciplinary action might be taken against an employee, the City Administrator shall be contacted so that all disciplinary procedures are followed. The Department Head and/or City Administrator will then prepare a notice of intended disciplinary action to be given to the employee which shall include as attachments:
 - (1) A written copy of the charges being made;
 - (2) The grounds for such charges;
 - (3) All documents which support such action;
 - (4) The type of disciplinary action intended;
 - (5) Copies of Personnel Rules violated and appeal procedures.
- (b) Notice shall also include a statement advising the employee that he/she may respond to the charges either verbally or in writing within a reasonable, specified time period which will not exceed ten (10) days starting from the date of receipt of the notice.
- (c) The Department Head and/or City Administrator shall make themselves available to hear verbal responses or answers to the proposed disciplinary actions and/or consider written responses submitted by the employee.
- (d) All information supplied by the employee in response to the proposed action will be considered by the Department Head and/or City Administrator prior to making a final decision on what disciplinary action is appropriate.

- (e) During the pre-disciplinary hearing, employees may be represented by a representative of their choice. However, the employee shall only have the right to show cause, if any, why the proposed disciplinary action should not be taken. The employee shall be allowed to see all documents and material which are being considered to support the proposed disciplinary action.
- (f) Upon completing the pre-disciplinary procedures, the Department Head and/or City Administrator may resolve the matter without taking disciplinary action, or take the proposed action, or modified action as may seem appropriate.
- (g) If disciplinary action is taken, the employee shall be advised in writing of his/her right of appeal in accordance with Section 6.1

2. Exception to Pre-Discipline Procedure

- (a) When in the opinion of the Department Head and/or the City Administrator the best interest of the City would be served by taking immediate disciplinary action against an employee for violation of a City Rule or Regulation, the Department Head and/or City Administrator may suspend an employee without pay for a period not exceeding two (2) work days, or one (1) twenty-four (24) hour shift in any one (1) month. When taking further action, the Department Head and/or City Administrator shall document the circumstances requiring such action.
- (b) In the event an emergency situation exists requiring immediate action to protect City property, to maintain reasonable community relations, to protect the employee's fellow workers, or other appropriate reasons, the Department Head and/or City Administrator may take immediate disciplinary action, as deemed appropriate, to relieve the emergency situation. When taking such action, the Department Head and/or City Administrator shall document the circumstances requiring such action.
- (c) When immediate disciplinary action is taken by a Department Head and/or City Administrator, as an exception to the pre-disciplinary procedure, the employee

shall be provided written documentation of the action at the earliest possible time.

The notice shall also advise the employee of the right to appeal the disciplinary action in accordance with Section 6.2.

6.2 RIGHT OF APPEAL

A. Any regular employee who has completed the initial probationary period shall be given the right to appeal a suspension, demotion, dismissal or other discipline imposed on that employee. This shall initially involve a State Mediator.

(1) Method of Appeal:

A regular employee shall file a written notice within seven (7) calendar days, starting from the date of receipt of the notice of disciplinary action. The appeal shall be addressed to the City Clerk. The appeal shall set forth the matter appealed and the action desired by the appellant. Within seven (7) working days after receipt of the appeal, the City Clerk shall request a review by a State Mediator.

(2) Notice:

The City Clerk shall notify all persons named or affected by the appeal of the date, time, and place of review by the State Mediator.

(3) Review by Mediator:

When a disciplinary action is reviewed by a State Mediator, the Mediator shall determine the type of assistance that is provided. The Mediator may hold a hearing or conduct additional investigation as may be necessary. In addition to the subject matter on appeal, the employee's personnel file shall be reviewed. The personnel file is defined as that file which is maintained in the City Personnel Department. Unless physically unable to do so, the appellant shall appear personally before the Mediator at the time and place of the review.

The appellant may be represented by any person he/she may select and may produce relevant oral or documentary evidence. This process shall be closed to the public.

Mediation shall be non-binding.

B. Appeal to the City Council:

In the event that mediation fails to resolve the matter, the decision of the Department Head/ City Administrator in Section 6.1 shall be final and binding unless a written notice of appeal is filed with the City Clerk within seven (7) days following the conclusion of mediation.

(1) Method of Appeal:

A regular employee shall file a written notice within seven (7) calendar days, starting from the date of completion of mediation. The appeal shall be addressed to the City Council and filed with the City Clerk. The appeal shall set forth the matter appealed from, set forth a statement of the action desired by the appellant and list the reasons for the desired actions. Within seven (7) calendar days after receipt of the appeal, the City Clerk shall inform each member of the City Council, the City Administrator and all other persons named or affected by the appeal.

(2) Notice of Hearing:

When an appeal has been filed, a date shall be set for a hearing on the appeal. The date for the hearing shall not be less than ten (10) calendar days from the date of filing of the appeal. The City Clerk shall notify all interested parties of the date, time and place of the hearing.

(3) Hearing:

When an appeal has been filed, the City Council shall review the record, and make a final determination of the issue. Both parties will be allowed to present a brief presentation concerning their interpretation of the record.

(3) Findings:

The City Council, within fifteen (15) calendar days after said hearing, shall make a finding.

The City Council may:

- (1) follow the recommendations of the State Mediator if any; or

- (2) reinstate the employee; or
- (3) order any disciplinary action which it judges to be appropriate based on the evidence; or

The final findings of the City Council shall be the final administrative step in the disciplinary appeal process.

C. Extension of time.

Any time limit contained in this title may be extended by mutual agreement of the employee and the City Administrator.

TITLE 6.1 DISCIPLINARY PROBATION

6.1.1 DISCIPLINARY PROBATION

Disciplinary Probation is a disciplinary penalty which may be imposed in lieu of termination, when the circumstances warrant. It is distinguished from the normal probationary period for new or recently promoted employees. It may be imposed for serious violations for a specific period of time not to exceed one year. Employees placed on Disciplinary Probation may be dismissed for failure to meet any requirement imposed as a condition of such status. Employees on Disciplinary Probation do not retain senior rights during a layoff or have permanent status. An employee, who is terminated for a specific violation identified in the notice of Disciplinary Probation, does not have appeal rights.

6.1.2 BACKGROUND

Disciplinary action may be imposed after the employer has complied with pre-disciplinary procedures that are consistent with court decisions, state law, and the memorandum of understanding. These provide the employee with written information about the charges, the grounds for such charges, the documentation supporting such action, the type of disciplinary action intended, copies of applicable personnel rules and appeal procedures. A pre-disciplinary hearing is scheduled where the employee (or representative) may respond to the charges. Following this hearing, and a review of the facts, discipline may or may not be imposed.

Disciplinary actions, can include written warnings, suspension, demotion, or termination. Disciplinary Probation could be imposed, following pre-disciplinary procedures, in cases where the Department Head or the City Administrator determine the the employee has commeted a serious offense that warrants termination. If the Department Head or City Administrator believe that the employee could improve if given an opportunity for rehabilitation, this disciplinary action could be imposed.

When disciplinary probation is imposed, the employee is provided with a list of violations that will result in immediate termination. If an employee violates a rule that is not on the list, the matter is handled as a separate disciplinary action.

Upon successful completion of the probationary period, the employee is returned to permanent status will full restoration of seniority rights.

(Note: This was previously Exhibit D to the Memorandum of Understanding approved in 2001)

TITLE 6.2 POLICY FOR A DRUG AND ALCOHOL FREE WORKPLACE

6.2.1 PURPOSE

The City of Gridley has a strong commitment to provide a safe work place for its employees and to promote employee health. The City has developed this policy regarding alcohol and drug use to reinforce this commitment and to comply with Federal law, specifically, the Drug-free Workplace Act of 1988. Our goal is to establish and maintain a work environment free from the adverse effects of alcohol and drug use. This policy applies to positions represented by the I.B.E.W. Bargaining Unit.

6.2.2 USE AND SALE OF DRUGS

- A. The unlawful manufacture, distribution, dispensation or use of a controlled substance on the job or on City property is prohibited.
- B. Illegal drug use, or alcohol use which impairs and employee's job performance and interferes with regular work duties may result in disciplinary action.
- C. If a supervisor has reasonable cause to suspect that an employee is not fit for duty, he/she may require the employee to submit to a medical clarification examination by

a physician who is qualified to assess impairment caused by drugs or alcohol. The physical will determine, after a physical examination, whether the employee is fit or unfit for duty. During the examination, the physician may request that the employee provide a urine sample for drug or alcohol screening if the physical suspects the employee is under the influence of drugs or alcohol.

The decision to require a fitness for duty test must be based on a reasonable and articulable belief that the employee is using alcohol or a prohibited drug on the basis of specific, contemporaneous physical, behavioral, or performance indicators of probable alcohol and drug use.

- D. Any employee whose on-duty or off-duty conduct leads to a conviction of any criminal drug statute must notify his or her Department Head of that conviction no later than five days after such conviction.

(Note: This Title was previously included in the 2001 MOU as Exhibit C.

TITLE 7. SAFETY

7.1 PREVENTION OF ACCIDENTS

1. The CITY desires to maintain a safe place of employment and to that end the CITY shall make all reasonable provisions for the safety of employees in the performance of their work. It is recognized, pursuant to the provisions of SB 198, that the employer and employee jointly share responsibility for providing and insuring a safe and healthful workplace.
2. The CITY and the UNION shall cooperate in promoting the realization of the responsibility of the individual employee and Supervisor with regard to the prevention of accidents, and to that end both parties agree to comply with all State and Federal Health and Safety Laws, rules and resolutions.
3. In the event any applicable State or Federal Health or Safety rules are revised or adopted that conflict with current rules, such rule shall be revised.

4. In addition to the foregoing, CITY shall inform UNION of such new rule or revision for the parties to meet on a mutually agreed date to discuss the effects.

TITLE 8. EMPLOYEE STATUS

8.1 EMPLOYEE DESIGNATION

Employees will be designated as Regular, Probationary, Part-time, or Temporary depending upon the purpose for which they were hired and their length of continuous service with the CITY.

8.2 EMPLOYEE DEFINED

A regular employee is defined as an employee who has satisfactorily completed a six (6) month probationary period of employment with the CITY.

8.3 PROBATIONARY EMPLOYEE-NEWLY HIRED OR PROMOTED EMPLOYEE

A probationary employee is defined as an employee hired for a position that has been regularly established and is of indeterminate duration. A probationary employee will receive not less than the minimum rate for the job and will be eligible for such leave pay, holiday pay, vacation pay, insurance coverage or items of a similar nature. Upon completion of six (6) months of continuous satisfactory service with the CITY, a probationary employee will be given the status of a regular employee; if the City Administrator determines, in his sole discretion that a probationary employee has not performed satisfactorily during the first six (6) months of employment with the CITY, the City Administrator, on or before the last day of the sixth month of employment, may extend that employee's probationary period for a time not to exceed an additional six (6) months. The CITY will notify the UNION in writing of any such decision.

A probationary employee may be terminated at any time during the probationary period, with or without cause, and the probationary employee shall have no right to appeal the termination.

Notwithstanding Gridley Personnel Rules 7.2 (Probationary Period of New Employees) and 7.3 (Probationary Period of Promoted Employees), it is acknowledged that the probationary period for the position of Apprentice Lineworker shall coincide with the length of the National

Electrical Course for the Apprentice Lineworker. It is further agreed that the City Personnel Rules may be amended to reflect this change.

This section is superceded by Title Section 6.1 which was Exhibit D previously.

8.4 TEMPORARY EMPLOYEE

A temporary employee is defined as an employee hired by the day for occasional or seasonal work for a period not to exceed one hundred and twenty-five (125) days, or 1,000 hours. A temporary employee will receive not less than the minimum rate for the job but will not be eligible for sick leave pay, holiday pay, vacation pay, insurance coverage, retirement benefits or items of a similar nature. Upon completion of one hundred twenty-five (125) days, or 1,000 hours, of continuous service with the CITY, temporary employee will be given the status of probationary employee.

8.5 REGULAR PART-TIME EMPLOYEE

- A. An employee appointed to fill, on a less than full time basis, a budgeted position shown in salary resolution.
- B. Effective July 1, 1984, any employee hired into a regular part-time position shall be provided all benefits based on a pro-rata basis as compared to the normal work hours for his/her classification, with the exception of Medical and Dental, which shall be available to the employee, with the CITY and employee equally sharing the cost.

TITLE 9. WAGES AND CLASSIFICATIONS

9.1 WAGES

- A. Employees shall be paid the wages established for their classification.
- B. When an employee is assigned to work at a position having a higher classification, that employee shall be paid at the rate equal to the lowest step of the higher classification or at minimum the lowest step of the higher classification's range which provides a 3 percent increase in his present salary, provided that employee has worked at the higher classification for 10 consecutive working days.

Said work performed at a position having a higher classification shall be authorized, in writing, by the affected Department Director and approved by the City Administrator, prior to the commencement of time credit toward the 10-day requirement. Written authorization shall not be unreasonably withheld.

9.2 PAY DAY

Wages shall be paid at monthly intervals as follows:

An advance on wages shall be paid on or before the twentieth (20th) day of each month for the payroll period beginning on the first day of the current month and ending on the last day of the current month. Wages shall be paid on or before the fifth (5th) day of the month for the payroll period beginning on the first day of the preceding month and ending on the last day of the preceding month. If a pay date falls on a non-workday, payment shall be made on the preceding work day.

The City of Gridley has implemented a payroll direct deposit program with a local bank. All city employees are eligible for this program. Costs associated with this program will be paid by the City.

9.3 WAGE SCHEDULE

A. Wage Schedule - All members - except those listed in B.

Attached hereto and made a part hereof is Exhibit "A" titled "Schedule of Wage Rates." The salary schedule contained in Exhibit A, reflect the actual compensation to be provided between July 1, 2005 and December 31, 2006 and will contain additional schedules generated during the course of the Memorandum of Understanding, based upon adjustments described in this section.

These schedules will incorporate cost of living adjustments of up to 4% effective January 1, 2006, January 1, 2007, January 1, 2008 and January 1, 2009. These schedules will also incorporate an equity adjustment of 5% on July 1, 2005 for the position of Administrative Services Clerk II. These schedules will also incorporate equity adjustments for the Public Works Supervisor of 5% on July 1, 2006 and 5% on July 1, 2007.

The Cost of Living Adjustments referenced above shall be based upon the Consumer Price Index (Urban Wage Earners and Clerical Workers, U.S. City Average). The adjustment will be calculated in December 2005, December 2006, December 2007, and December 2008 utilizing the most recent 12 month data (November to November). CPI calculations are to be calculated to the nearest 1/100th of a percent. CPI adjustments are limited to 4% per year. In the event that the CPI exceeds 6%, the salary portion of the Memorandum of Understanding shall be reopened as to salary only.

In lieu the above, the Electrical Lineworker series shall receive a 4.2% salary increase effective January 1, 2006. Effective January 1, 2007, January 1, 2008, and January 1, 2009, the base salaries of the Electrical Lineworker series shall be adjusted to the average hourly salary of ten utilities during December 2006, 2007 and 2008. The survey shall be based on an update of the salary survey performed jointly by the CITY and IBEW during the 2005 negotiations which included the following electrical utilities: City of Healdsburg, Lassen Municipal Utility District, Plumas Sierra Rural Electrical Coop, City of Redding, City of Roseville, City of Shasta Lake, SMUD (Sacramento Municipal Utility District), Truckee-Donner Public Utility District, City of Ukiah, and PG&E. In the event that the Cost of Living adjustment, described above, exceeds the adjustment based on the survey, the Electrical Lineworker series shall receive the Cost of Living adjustment.

B. Wage schedule – apprentice lineworker and electrical lineworker series.

Effective 7-1-05, the Electrical Lineworker position shall have a single wage rate. (previously identified as Step 5).

Effective 7-1-05, the Apprentice Lineworker position shall have a 7 step wage scale during the 3.5 year Apprenticeship program as follows:

Step 1 1 st through 6 th month	60% of Electrical Lineworker salary
Step 2 7 th through 12 th month	65% of Electrical Lineworker salary
Step 3 13 th through 18 th month	70% of Electrical Lineworker salary
Step 4 19 th through 24 th month	75% of Electrical Lineworker salary

Step 5 25 th through 30 th month	80% of Electrical Lineworker salary
Step 6 31 st through 36 th month	85% of Electrical Lineworker salary
Step 7 37 th through 42 nd month	90% of Electrical Lineworker salary

Following Completion of Apprenticeship program, Apprentice advances to Electrical Lineworker wage rate.

9.4 LONGEVITY PAY

The following percentage will be added to the employees base salary upon completion of the following years of consecutive service:

<u>Years of Service</u>	<u>Total Longevity Pay</u>
10 years of service	1% of salary
15 years of service	2% of salary
20 years of service	3% of salary

9.5 CLASSIFICATION SPECIFICATIONS

All positions represented by this bargaining unit are attached hereto and made a part hereof in Exhibit "B," titled "Job Definitions."

9.6 EMPLOYEE SUGGESTION AWARD PROGRAM

The City shall reward employees for suggestions which, if implemented, allow for cost savings for the City. The parameters of this program are outlined via resolution of the City Council and are subject to amendment at the will of the City Council.

9.7 ASSIGNMENT PAY - SENIOR MAINTENANCE WORKER (SEWER-WATER)

5% additional compensation (Assignment Pay) will be added to the base pay of the Senior Maintenance Worker (Plant Operator) assigned the primary duty of operating the sewer plant and maintaining the water system.

9.8 SEWER AND WATER CERTIFICATES

Effective July 1, 2005 Public Works personnel covered by this memorandum who are in possession of Certificates issued by the State of California (listed below) are eligible for incentive pay:

A. D 2 Distribution Certificate 5%

B. Level II Wastewater Treatment

Effective 7/1/05 5%

Effective 1/1/06 6.25%

Effective 1/1/07 7.5%

Effective 1/1/08 8.75%

Effective 1/1/09 10%

C. Level II Water Treatment

Effective 7/1/05 5%

Effective 1/1/06 6.25%

Effective 1/1/07 7.5%

Effective 1/1/08 8.75%

Effective 1/1/09 10%

D. Backflow Certificate

Effective 1/1/06 2.5%

The parties recognize that the City of Gridley Sewer Treatment Plant License expires in 2007. In the event that a Level II Wastewater Treatment Certificate is no longer adequate to address the level of treatment required by the State, the parties will reopen this MOU as to this issue, to identify the appropriate incentive pay for such certificate.

9.9 BILINGUAL PAY

Effective July 1, 2005, an employee shall receive bilingual pay of 5% of base salary if:

- A. The CITY determines that bilingual skill in a specific foreign language in a specific job classification will improve operations.
- B. The employee agrees to utilize his or her bilingual skills on the job.
- C. The employee is able to demonstrate bilingual proficiency that is satisfactory to the CITY.
- D. The City Administrator, utilizing the guidelines above, may approve bilingual pay.

9.10 CLASS B DRIVERS LICENSE INCENTIVE PAY

Effective July 1, 2005, personnel within the bargaining unit covered by this memorandum who meet the following requirements are eligible for 5% incentive pay:

- 1. Possession of Class B Commercial License.
- 2. Have necessary endorsements to operate specific vehicles used in their department.
- 3. Are assigned to operate equipment requiring such a license.
- 4. Assignment is approved by their Department Head.

Effective July 1, 2005, personnel within the Electrical Lineworker series shall have the 5% Class B Drivers License incentive pay incorporated into their base salary and possession of such license shall become a job requirement. The Electrical Lineworker series will not be eligible for additional compensation for a Class B Driver's License.

9.11 RUBBER GLOVE CERTIFICATION

Members of the Electrical Lineworker series who have received rubber glove certification and who perform duties requiring direct rubber glove contact on live 12 KV electrical lines shall be eligible for a premium pay of 6%, provided that they meet the following program requirements:

- 1. Participation is voluntary.
- 2. Consulting services, approved by the City Council, may be used to develop the program and provide training at CITY cost.

3. Gridley Electrical Department Rubber Glove program is certified by Cal OSHA and meets any other legal requirements.
4. Each individual participating in the program must satisfactorily complete the training program and recertify at required intervals.
5. Individuals who do not take the training, fail to satisfactorily complete the training, or who fail to recertify under the terms of the program are ineligible for this premium pay.
6. The pay becomes effective on the first day of the month following certification of the employee.

9.12 CELL PHONE ALLOWANCE

A cell phone allowance of \$20 per month is established for members of the bargaining unit that meet the following qualifications:

A. CITY determines that a need exists for the individual to have a cell phone available to conduct City business.

B. Employee agrees to carry and use a personal cell phone for City business while on duty and on standby. Employee provides CITY with proof of service and cell phone number.

C. Employee must agree to inform CITY of any lapse in phone service, phone number, or provider. The allowance will be paid within 30 days following the billing period. CITY shall not be responsible for additional phone charges beyond the \$20 per month. This limit does not apply during a natural disaster (declared) if the employee incurs an unusually high level of phone use while actively engaged in response or recovery activity.

In addition to the provisions above, CITY agrees to provide a City cell phone for use by electrical and public works personnel assigned to standby. The phone may be used for official City business only and is to be carried while on standby. In the event that an individual assigned to standby prefers to carry a personal cell phone in lieu of a City provided phone, that individual must notify his or her supervisor so that information can be provided to dispatch.

TITLE 10. HOURS AND OVERTIME

10.1 WORKWEEK AND BASIC WORKWEEK

A workweek is defined as consisting of seven (7) consecutive calendar days, Sunday through Saturday, and except as otherwise provided herein, a basic workweek is defined to consist of five (5) consecutive workdays of eight (8) hours each, Monday through Friday. The regular work hours shall be from 8:00 A.M. to 5:00 P.M. with one (1) hour off for lunch. Starting times, and quitting times, and meal times may be changed by mutual consent so as not to incur the penalty of overtime. There shall also be allowed two (2) break periods, each of fifteen (15) minutes duration. The first break shall be taken midway in the first half of the shift, and the second shall be taken midway in the last half of the shift.

10.2 OVERTIME DEFINED

Overtime is defined as:

- (a) Time worked in excess of forty (40) hours in a workweek;
- (b) Time worked in excess of eight (8) hours on a scheduled workday;
- (c) Time worked on a non-workday;
- (d) Time worked outside of regular hours on a workday, and;
- (e) Time worked on a Holiday.
- (f) Overtime shall be computed to the nearest one-quarter hour.
- (g) Overtime shall be authorized in advance by the immediate Supervisor, Department Head or City Administrator.

10.3 OVERTIME COMPENSATION

- A. Overtime compensation shall be paid at a rate equivalent to one and one-half (1 1/2) times the individual employee's straight time rate of pay.
- B. Call back overtime is defined as overtime requested of the employee after there has been a release from work by the CITY. The minimum time for which overtime shall be paid under this Section is four (4) hours on a non-workday and two (2) hours on a workday.

10.4 STANDBY

Any employee who is required to be available, on standby duty, during his off-time hours, shall be compensated for two (2) hours at his respective overtime rate of pay for each day (24 hour period) of standby duty. **Effective July 1, 2003**, employees scheduled for Public Works Standby duty must be in possession of the valid State of California Water Distribution Certificate that is required for the City of Gridley's water system.

10.5 OVERTIME MEALS

Employees who work four or more consecutive overtime hours (between the hours of 10:00 p.m. and 6:00 a.m.) shall be entitled to a meal. In the event that food is unavailable, the employee shall be provided with a voucher for a meal at a local restaurant. The value of the meal shall be established as the current per diem rate for breakfast authorized by the State of California.

Alternatively, the City may provide packaged rations (Military type) for consumption on the site. The on site supervisor, based upon the circumstances, may authorize meals for overtime personnel. The City shall retain the right to issue guidelines for making determinations.

10.6 PAID REST PERIOD

Periodically, City crews may be assigned to work an unusual number of overtime hours due to emergency conditions that require restoration of utilities or other similar situations. CITY

recognizes that safety could be jeopardized if employees are required to report to work for a regular shift following such a period of extended work activity.

The onsite supervisor, shall have the authority to grant up to 4 hours of paid rest time in such situations in the interest of work safety. A department head may grant up to 8 hours of paid rest time under such circumstances. CITY reserves the right to issue guidelines for such determinations.

TITLE 11. PROMOTION AND TRANSFER

11.1 POSTING VACANCIES

When new jobs or additional jobs are created, or vacancies, other than temporary vacancies occur, which the CITY intends to fill, the CITY shall post vacancy notices on all bulletin boards and a copy shall be mailed to the UNION'S Business Representative. Vacancy notices shall be posted for a period of five (5) working days, and shall set forth the date of posting the classification and location of the job, its duties, qualifications required and the rate of pay. Regular employees may submit bids on such jobs by U.S. Mail to the CITY office and the CITY shall not consider any bids postmarked more than five (5) days from the date that the five (5) day posting period expired. In filling jobs, CITY shall give preferential consideration to employees in the order of their CITY seniority.

11.2 SENIOR MAINTENANCE WORKER

Employees, without sewer and water certificates, reclassified or promoted to the position of Senior Maintenance Worker, may, with the approval of the Director of Public Works, be given up to 12 months to secure certificates.

11.3 BYPASS FOR LACK OF QUALIFICATIONS

Notwithstanding Title 11.1, the CITY need not consider the bid of any employee who does not possess the knowledge, skill, efficiency, attitude, adaptability, ability to work with

others and physical ability required for the job on which the bid is made. The CITY shall be the sole judge of the qualification. When the CITY intends to appoint an employee to a vacancy in preference to an employee with greater seniority as provided in 11.1, the CITY shall notify the UNION'S Business Representative of its intent prior to such appointments.

TITLE 12. DEMOTION AND LAYOFF

12.1 NOTICE

When it becomes necessary for the CITY to lay off regular employees, the CITY shall give employees involved as much notice as possible; but in no event will such employees receive less than two (2) weeks notice of layoff. Where probationary or temporary employees are to be laid off, no notice of layoff need to given.

12.2 LAYOFF

When it becomes necessary to reduce the work force, senior employees shall be retained, provided they have necessary skill and ability to perform the required work.

TITLE 13. LEAVE OF ABSENCE

13.1 ELIGIBILITY

"Leave of Absence" may be granted to regular employees by the City Administrator, or his duly authorized representative, for urgent and substantial reasons, providing that adequate arrangements can be made to take care of the employee's duties without undue interference with the normal routine of work. All applications for "Leave of Absence" shall be made in writing except when the employee is unable to do so.

13.2 PERIOD OF LEAVE

The City Administrator may grant a "Leave of Absence" without pay to a regular employee for a period not in excess of ninety (90) days. The City Council may grant an additional "Leave of Absence" without pay to such employee if his personal circumstances and his service to the CITY warrant the granting thereof.

13.3 STATUS

An employee's status as a regular employee will not be impaired by such a "Leave of Absence" and his seniority shall accrue. During the period of a "Leave of Absence," an employee's position and tour of duty will only be filled on a temporary basis.

13.4 COMMENCE AND END

A "Leave of Absence" will commence on and include the first workday on which the employee is absent and terminate with, and includes the workday preceding the day the employee returns to work. The conditions under which an employee will be restored to employment on the termination of "Leave of Absence" shall be clearly stated by the CITY, on the form on which application for the leave is made.

13.5 REINSTATEMENT

Upon an employee's return to work after a "Leave of Absence" he will be reinstated to his former position and working conditions, except where there has been a reduction of forces or his position has been eliminated during said leave, he will be returned to the position he would have been had he not been on a "Leave of Absence."

13.6 TERMINATION OF SERVICE

A. If an employee fails to return to work on the first working day after the expiration of his "Leave of Absence," he will be deemed to have resigned from employment with the CITY and his employment will terminate, provided, however, that the City Administrator

may, for good cause shown, authorize an additional five (5) days extension of the "Leave of Absence" provided that application for such extension is made prior to the expiration of his "Leave of Absence."

- B. Any employee who accepts gainful employment while on "Leave of Absence," terminates his employment unless such employment is approved by the CITY.

13.7 CITY "LEAVE OF ABSENCE"

Members of UNION who are temporarily or permanently appointed to positions within the CITY, but outside the jurisdiction of the UNION, shall at their request, receive "Leaves of Absence" for periods not to exceed one (1) year. An employee who is granted such a "Leave of Absence" shall continue to accrue seniority, and retain the right to return to his previous classification. However, should the employee successfully seek employment within the jurisdiction of the UNION after his "Leave" expires, he shall suffer loss of seniority for job bidding purposes only. He shall work within the jurisdiction of UNION for a period equal to the time he was outside of the UNION jurisdiction to receive his job bidding seniority.

13.8 MILITARY "LEAVE OF ABSENCE"

An employee who leaves his employment with the CITY to enter the Military service or other service where his rights are protected by Federal and State law, shall be granted a "Leave of Absence" under the provision of Section 13.1 to 13.6, inclusive. Upon qualifying for reemployment under any such law, and being reemployed, he will be granted a further retroactive "Leave of Absence" to cover the balance of his absence.

13.9 NATIONAL GUARD

An employee attached to the National Guard or Military Reserves who is required to participate in the annual training encampment, reserve meetings, and/or is called to active duty,

shall be so compensated up to thirty (30) calendar days and shall be given up to one hundred eighty (180) days of "Leave of Absence," provided the employee has at least one (1) year of service. Employees shall be placed on "Leave of Absence" only upon receipt of the Order to Duty.

13.10 FUNERAL LEAVE

A. A regular employee shall be granted time off with pay to attend the funeral of a member of the immediate family. The immediate family shall be limited to: employee's spouse, parents, grandparents, children, grandchildren, brothers, sisters, brother-in-law, sister-in-law, father-in-law, and mother-in-law. Funeral leave shall consist of up to three (3) working days per occasion. In other cases, the City Administrator may approve paid funeral leave.

B. Employees who have not attained regular status shall be allowed time off with pay, as provided for in "A" above.

13.11 JURY DUTY

Employees called for jury duty, grand jury trial, or inquest shall be granted the necessary time off for this purpose under the following conditions: A regular employee called for jury duty, grand jury trial, or inquest shall be compensated by the CITY for the difference between his regular wages and any compensation received as a juror. Expenses and travel allowances which are not taxable and payment for jury duty on non-workdays will not be included in computing the remuneration received from the Court.

13.12 BENEFITS WHILE ON LEAVE

An employee on "Leave of Absence" as provided herein shall not accrue vacation or sick leave benefits nor maintain group insurance coverage. An employee, may, however, at his option and expense, maintain his group insurance coverage providing the full monthly premium

is received in the Finance Department of the CITY on or before the first day of the month for which the premium is intended. Notwithstanding the above, however, if the leave of absence is a result of exhaustion of sick leave benefits, an employee's group insurance may be maintained for up to three (3) calendar months on the normal premium-sharing formula, providing the employee pays his share of the premium on a timely basis.

13.13 APPLICATION

This Title applies to any and all employees on "Leave of Absence" as of the effective date of this Agreement.

TITLE 14. SICK LEAVE

14.1 ACCUMULATION

Regular employees shall earn sick leave at a rate of eight (8) hours per calendar month of service or pro-rata portion. There shall be no limit to the accrual of unused sick leave.

14.2 ALLOWANCE

Sick leave shall be allowed for an absence due to a bona fide illness, off duty injury, or confinement for medical treatment. A Doctor's certificate, showing proof of illness may be required by the CITY only when abuse of sick leave is suspected.

14.3 WORKERS' COMPENSATION

If an employee is injured on the job, and is receiving benefits under Workers' Compensation Act, he shall be allowed to use his unused leave benefits in an amount sufficient to provide wages equal to his salary as if he was normally employed. This provision will cease when the employee's leave benefits are exhausted.

TITLE 15. HOLIDAYS

15.1 HOLIDAY ENTITLEMENT

The following are guaranteed holidays for which all regular and probationary employees will be entitled to time off with pay:

- | | |
|--|---------------------------------|
| 1) New Year's Day | January 1 |
| 2) President's Day | Third Monday in February |
| 3) Memorial Day | Last Monday in May |
| 4) Independence Day | July 4 |
| 5) Labor Day | First Monday in September |
| 6) Thanksgiving Day | Designated Thursday in November |
| 7) Day after Thanksgiving | |
| 8) Last Working Day before Christmas | |
| 9) Christmas Day | December 25 |
| 10) Last Working Day before New Year's Day | |
| 11) Floating Holidays (3) | |

15.2 SATURDAY AND SUNDAY HOLIDAY

When any of the above holidays falls on a Sunday, the Monday following shall be observed as the Holiday. When any of the above Holidays falls on a Saturday, the employee shall receive the preceding normal workday off with pay. Other provisions for observing Holidays may be agreed to my mutual consent of the parties.

15.3 WORK ON HOLIDAYS

- A. In the event a Holiday, as listed above, shall fall during an employee's vacation period, he shall either receive an extra day of vacation with pay, or an extra day's pay, with the mutual consent of the employee and immediate supervisor.
- B. Notwithstanding the foregoing, employees may be scheduled to work on holidays, in which event such employee will, in addition to his holiday pay, be compensated at his appropriate overtime rate of pay for all hours worked on said Holiday.

TITLE 16. VACATIONS

16.1 VACATION ALLOWANCE (Effective January 1, 2002)

- A. Each regular employee in the classified service shall be entitled to earn vacation.

- B.

<u>LENGTH OF SERVICE</u>	<u>ANNUAL RATE IN HOURS</u>	<u>MAXIMUM ACCRUAL</u>
--------------------------	-----------------------------	------------------------

Less than five (5) years of continuous employment.	80 hours per year	160hours
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Beginning of the 6 th year to the end of the 10 th year. and of continuous service	120 hours per year	240 hours
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Beginning of the 11 th year to the end of the 20 th year.	160 hours per year	320 hours
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Beginning of the 21st year 200 hours per year 400 hours
and up of continuous employment.

C. Vacation Accumulation – Earned vacation is credited monthly at rates that are based upon length of continuous employment. Effective July 1, 2003 and thereafter, on a monthly basis, an employee who has exceeded the maximum vacation accrual (for his or her length of employment) will be ineligible to earn additional vacation credit. Monthly vacation accrual would resume after the accumulated balance is reduced below the maximum accrual.

16.2 SICK LEAVE

The CITY shall not require an employee to take vacation in lieu of sick leave or leave of absence due to illness.

16.3 UNUSED VACATION

Employees whose employment with the CITY is terminated for any reason shall, at the time of termination, receive pay for any unused vacation period previously earned.

TITLE 17. MISCELLANEOUS

17.1 ANTI-ABROGATION

The City shall not, by reason of the execution of this Agreement, abrogate or reduce the scope of any present plan, rule or any item which is subject to the Meet and Confer process of the Meyers-Milias-Brown Act, which is not specifically covered by this Agreement.

17.2 FLEXIBLE WORK SCHEDULE

It is the policy of the City of Gridley to encourage members of the IBEW bargaining unit to pursue higher education. The City will, where such modifications can be reasonably

accommodated, authorize a flexible work schedule to allow attendance at classes. The modified work schedule must be approved by the Department Head and the City Administrator.

17.3 PLANT OPERATOR POSITION

The City has established the classification of **Plant Operator**. The position will be filled on an assignment basis rather than as a permanent reclassification. The salary for this position will be the equivalent of the Senior Maintenance Worker with assignment pay plus the appropriate certificate pay. The assignment will go into effect when the current individual receiving assignment pay has earned the three qualifying state certifications.

17.4 SENIOR ELECTRICAL LINE WORKER POSITION

The City has established the classification of Senior Electrical Line Worker. This position assumes supervisory responsibilities during the absence of the Electrical Superintendent. This position is compensated at 5% above the Electrical Line Worker position.

17.5 TRAINING

The CITY encourages employees to improve their job skills by participating in courses directly related to work activities. A well trained workforce benefits both the employer and employee. The employer benefits by having a qualified workforce. Employees, in some cases, can qualify for additional compensation for earning specific job related certificates.

This includes correspondence courses for water and wastewater certificates and classroom training conducted at off site locations, that may require overnight travel. This does not apply to training provided during the normal work day within the City of Gridley or within a distance that does not require an overnight stay.

1. Authorization for training requires prior approval by CITY.
2. For approved training, CITY will pay for registration, books, and materials.

3. Employees are not compensated for study time.
4. During training days, employee will receive straight regular time, not to exceed 8 hours per day. Training varies by course, which may be more or less than an 8 hour day.
5. If training is offered on a non-work day, Department Head may authorize a temporary modification of work schedule before or after training so as to minimize impact on employee. (ie: If, for example, training occurs on a Saturday, work schedule may be temporarily modified, by providing for a Monday off).
6. No compensation for travel time, unless during normal working hours.
7. If required, City will pay travel expenses (including lodging, mileage, transportation, and per diem according to CITY travel policy). Payment for such travel is based on State of California Travel policy.)

17.6 TUITION REIMBURSEMENT

All personnel covered by this agreement shall be eligible for educational cost reimbursement for job related college level courses taken outside of regular work hours. Classes shall be subject to prior approval by the City Administrator. The cost shall not exceed the equivalent cost of registration or tuition for one individual taking 1 class at Chico State University per semester (up to two semesters per year). The individual shall be responsible for additional costs for books, etc. Reimbursement is to be made following satisfactory completion of class with a grade of 2.0 or above on a 4 point scale.

TITLE 18. BENEFITS

18.1 HEALTH INSURANCE

Effective July 1, 2005, the CITY agrees to provide and maintain a Group Medical Insurance Program with the Public Employees Retirement System (PERS). The amount contributed by the City per month per employee for health care premiums will be in accordance with the amounts required by PERS* scheduled as follows:

Contribution Period	Contribution Amount*
January 2004 – December 2004	\$32.20
January 2005 – December 2005	48.40
January 2006 – December 2006	64.60
January 2007 – December 2007	80.80
January 2008 and after	97.00

**The above amounts are accurate as of November 22, 2004 per PERS. If any changes occur during the term of this MOU as provided by PERS, the then implemented amounts would replace the amounts identified in the above schedule.*

In addition, the employee may assign available funds from the Cafeteria Benefit Plan described below to pay for all or a portion of that employee’s health care premium. In the event that the cost of health care premiums exceeds the amounts available from the Cafeteria Benefit Program such costs will be paid by the employee through a payroll deduction. The health plan shall provide coverage for the employee and his/her dependents.

The City agrees to pay the PERS Administrative fee, which amounts to approximately 0.5% of premium or about \$50.00 per employee per year.

The following health plans are available in the Gridley service area based on the 95948 ZIP Code of Gridley, the Member Category (Contracting Public Agency) of Gridley, for the 2005 premium year:

- **Health Maintenance Organizations (HMOs):**
 - Blue Shield of California - Other Northern
- **Preferred Provider Organizations (PPOs) -** These CalPERS self-funded plans are available worldwide:
 - PERS Choice - Bay Area/Sacramento
 - PERS Care - Bay Area/Sacramento

Additional plans may be available based on the employee’s ZIP code of record or individual membership of the employee in an association (such as PORAC). However, these

plans are not generally available to all employees and as such are not specifically mentioned as available to the general membership.

18.2 DENTAL PLAN

Effective July 1, 2005, the CITY agrees to provide and maintain a Group Dental Insurance Program at a mutually agreed upon level of benefits and the CITY shall pay 100% of the costs for such coverage for fiscal years 2005-2006, 2006-2007, 2007-2008 and 2008-2009. The City shall provide the above coverage for the employee and his/her dependents.

18.3 LIFE INSURANCE, LONG TERM DISABILITY

The CITY shall provide and maintain group life insurance with accidental death and dismemberment benefits. The basic life insurance amount is \$50,000 for all employees and \$5,000 for dependents. The premium shall be paid for by the CITY. In addition, CITY will provide a Standard Insurance Company long-term disability plan having a 90-day elimination period during the term of this Agreement, the full cost of which shall be borne by the CITY.

18.4 CAFETERIA BENEFIT FUND

A. CITY Cafeteria Benefit Plan (July 1, 2005)

Effective July 1, 2005 a cafeteria benefit plan is established with fixed CITY contributions described below. The employee may apply these benefits as stated below in Section 18.4.E. The prior vision/health benefit reimbursement trust is superceded by this plan.

B. Available Health Insurance Plans

As stated in 18.1 above, the following health insurance plans are available in the Gridley ZIP Code area through Cal PERS:

- Blue Shield of California - Other Northern
- PERS Choice - Bay Area/Sacramento
- PERS Care - Bay Area/Sacramento

Effective January 2006 (payroll of December 31, 2005) through June 2008 the Monthly Health Insurance Contribution shall be adjusted to reflect the current premium for the PERS Health Care plan which represents the second lowest premium of the three (in the Employee plus 2 or more dependents category) generally available PERS Health plans in the Gridley ZIP area. This plan shall be identified in this section as the “Target” plan. The Target plan for the 2006 premium years is the Blue Shield HMO plan. PERS announces future premiums during the second half of each year. At the time the 2007 plans premiums are announced, staff will identify the Target plan as defined for the employee plus more than 1 dependent (Employee +2 or more) rate schedule. The monthly in-lieu contribution will also be adjusted to reflect one half the current premium for the Target Plan.

If during the term of this agreement, any of the current available Health Plans become unavailable to employees who reside in Gridley, or additional general plans become available to employees who reside in Gridley, the CITY and IBEW 1245 shall meet to identify a comparable Target health coverage plan offered by PERS.

C. CITY contributions to Cafeteria Benefit Plan (July 1, 2005)

Amounts available beginning with premium payments applied to the July, 2005 payroll for the August 2005 premiums and continuing through the November 30, 2005 payroll for the December 2005 premiums are as identified in Exhibit C (Section 18.4.C).

D. CITY contributions to Cafeteria Benefit Plan for Employees who decline health care coverage (July 1, 2005)

Employees who decline health care coverage under terms of State Law (generally where group coverage is available through a spouse) will have the amounts contributed to their individual Cafeteria Benefit Plan as identified in Exhibit C (Section 18.4.D). Proof of alternate coverage must be provided to the City. An employee may opt out of health coverage only during the regular PERS open enrollment period.

E. CITY contributions to Cafeteria Benefit Plan (January 1, 2006)

Effective January 1, 2006 (December 31, 2005 payroll) the Cafeteria Benefit Plan is amended to reflect scheduled rate changes in health care premiums for the Blue Shield HMO plan, the chosen “Target Plan” for 2006 based on 18.4 (B) above. The City contributes fixed amounts as identified in Exhibit C (Section 18.4.E). The employee may apply these benefits as stated below in Section 18.4.G.

F. CITY contributions to Cafeteria Benefit Plan for Employees who decline health care coverage (January 1, 2006)

Employees who decline health care coverage under terms of State Law (generally where group coverage is available through a spouse) will have the amounts contributed to their individual Cafeteria Benefit Plan as identified in Exhibit E (Section 18.4.F).

Proof of alternate coverage must be provided to the City. An employee may opt out of health coverage only during the regular PERS open enrollment period.

G. City Contribution to Cafeteria Plan (January 1, 2007 to June 30, 2009)

Effective January 1, 2007 through June 2009 the Monthly Health Insurance Contribution shall be adjusted to reflect the current premium for the “Target” Health Care plan as defined in 18.1 (B) above. The monthly in-lieu contribution will also be adjusted

to reflect one half the current premium for the “Target” Health Care plan as defined in 18.1 (B) above.

Employees who opt out of health coverage may do so only during the regular PERS open enrollment period. Proof of alternate coverage must be provided to the City.

H. Available Programs through Cafeteria Plan (subject to employees available balance and in accordance with IRS regulations regarding Cafeteria Plans)

- Health Care Premiums for programs offered through the CITY contract with the Public Employees Retirement System.
- Vision Reimbursements (employee and/or dependents)
- Medical, dental, or prescription co-payments (out of pocket)
- PERS sponsored Long Term Care Program premiums.
- Transfer of available balances to an existing Retirement Health Savings Plan (availability dependent on acceptance by ICMA-RC, the plan administrator).
- Other health related benefits that may be added by the City Council during the term of this agreement.

Reimbursements shall be distributed monthly according to the normal schedule for processing payment requested through the Accounts Payable process.

Upon separation from employment, unexpended balances in an employees Cafeteria Benefit Account, revert to the City, unless a transfer request is made to ICMA-RC prior to retirement and accepted by ICMA-RC for unexpended balances to be deposited to an active Retirement Health Savings Plan. Any funds not requested for reimbursement (for costs incurred during the term of employment) within thirty days of separation are forfeited.

Following is a listing of benefits and their availability upon retirement. This listing is not exhaustive and is only provided as a guide relating to sick and vacation accruals (if any) and remaining balances in the cafeteria plan (if any). Where known, other benefits that extend beyond the retirement date of the employee are also included (dental and health insurance).

- Vacation: Balances available at the time of retirement fully accrue to the retiring employee. The employee, at their option, may apply the value equivalent of the vacation accrual to the following:
 1. “Cash out” the value of the vacation accrual, less any applicable taxes and deductions. This would apply to anywhere between 0% and 100% of available balances.
 2. Request the City, through an ICMA-RC form to contribute the value of the vacation accrual to the employee’s existing Retirement Health Savings Plan. This would apply to anywhere between 0% and 100% of the available balances.
 3. The employee may utilize both 1 & 2 above in any combination but only up to the total available accrual at the time of retirement for the employee.

- Sick Leave: Balances are available to the employee only upon the retirement into the CalPERS retirement system within 120 days of retirement from the City. If the employee retires from the City to CalPERS retirement in this time, the following options are available to the employee:
 1. “Cash out” the value of the sick leave accrual, less any applicable taxes and deductions. This would apply to anywhere between 0% and 100% of available balances.

2. Request the City, through an ICMA-RC form to contribute the value of the sick leave accrual to the employee's existing Retirement Health Savings Plan. This would apply to anywhere between 0% and 100% of the available balances.
 3. Request the City, through a CalPERS form, to convert the sick leave accrue to service credits at the per hour equivalent described by CalPERS. This would apply to anywhere between 0% and 100% of the available balances.
 4. The employee may utilize 1, 2 & 3 above in any combination but only up to the total available accrual at the time of retirement for the employee.
- Dental insurance: The employee, upon separation, may apply with the City for COBRA benefits for dental insurance. The payment of insurance premiums would be the obligation of the employee upon retirement at the rate described in COBRA for a period of up to 18 months (the available time period is also described by COBRA).
 - Health Insurance: The employee, upon separation, and not more than 120 days following separation, may apply to CalPERS to continue health insurance coverage available through CalPERS. The employee would be required to pay their portion of the health insurance premium then in existence via a reduction in their monthly retirement direct deposit payment. The City's premium obligation would be paid as part of its monthly health premium payment for employees and retirees. Any proof of eligibility requirements, required forms or other contact with CalPERS would be the obligation of the employee.

18.5 COMPUTER LOAN FUND

The City of Gridley has established a computer purchase loan program for its employees. The City encourages the use of computers by employees, where such use will result in a more efficient use of time and an improved work product. City personnel will have the opportunity to acquire desktop and laptop computers **and accessories** that will enhance their personal and professional skills.

Participation in the loan program is voluntary and subject to the following conditions:

- a) Eligible employees may receive a loan of up to \$2,000 (Two Thousand Dollars) for the purchase of a computer (desktop or laptop), printer, **digital camera**, software **and other related equipment as provided under the minimum standards as defined under City policy**. The specific items to be purchased must be approved in advance by the City Administrator **(or his designee)**.
- b) The equipment must meet minimum standards established by the City:

Minimum standards are subject to revision by the City as necessary to maintain current technology. Revision to the standards will be via changes to City policy approved by City Council.

- c) The term of the loan shall be 24 months and interest free. The loan repayment schedule shall start with the payroll period following the month in which the City paid for the equipment.
- d) The Finance Department will deduct payments from the employee's paycheck in equal installments. The employee may make payments in excess of the minimum necessary to satisfy the loan in 24 months.
- e) The loan agreement, included as an exhibit in the original 1998 Resolution approving the loan program must be signed. The loan agreement is included in the City policy and may be changed immaterially from time to time based on the circumstances of a particular loan.

- f) The Security Agreement, included as an exhibit in the original 1998 Resolution approving the loan program must be signed. The Security Agreement is included in the City policy and may be changed immaterially from time to time based on the circumstances of a particular loan to adequately identify the security of the loan.
- g) The Computer Loan Program was originally incorporated into the MOU between the City and IBEW in the 1998-1999 fiscal year and was previously included as Exhibit C of the 2001-2005 MOU.

TITLE 19. RETIREMENT

19.1 SICK LEAVE PAY-OFF

Sick leave which has been accumulated during an employee's tenure with the CITY, shall be reimbursed to the employee at the current rate, at the time of retirement, upon his retirement for service under P.E.R.S.

19.2 PUBLIC EMPLOYEES RETIREMENT SYSTEM (P.E.R.S.)

The CITY shall provide and maintain for all employees the State of California Public Employees Retirement System Program. The Plan shall be 2% at 55, pursuant to Section 21251.132 of the California Public Employees' Retirement Law.

The CITY will fund 100% of the miscellaneous members contribution (7%).

The CITY agrees to make available for all employees the Military Service Credit Option. The Plan is described in Section 20930.3 of *California Public Employee's Retirement Law*. The cost of implementing the Military Service Credit Option will be the sole responsibility of the employee.

The City has implemented the retirement benefit known as Employer Paid Member Contribution (EPMC), as described in Section 20636 (c) of the Government Code.

The City has implemented the retirement benefit known as “Final Year Compensation”, as described in Section 20042 of the Government Code.

19.3 DEFERRED COMPENSATION PROGRAM

The CITY has established for all employees voluntary participation in qualified 457 Deferred Compensation programs. Eligible employee(s) who decline medical coverage, shall be entitled, in lieu of CITY paid medical coverage, amounts as specified in Section 18.4(B) and 18.4(D) deposited by the CITY into their Cafeteria Plan account.

19.4 ICMA RETIREMENT HEALTH SAVINGS PLAN

The CITY agrees to implement the ICMA Retirement Health Savings Plan.

TITLE 20. TERM OF AGREEMENT

20.1 TERM

This agreement shall take effect on July 1, 2005 , and shall continue in full force and effect through June 30, 2009, and thereafter from year to year, unless written notice of intent to modify shall be given by either party to the other sixty (60) days prior to the end of the current year.

20.2 CHANGES TO MOU

This Memorandum of Understanding shall not be amended or supplemented except by agreement of the parties hereto, reduced to writing and duly signed by each.

MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF GRIDLEY AND THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 1245.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding this _____ day of _____, 2005.

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 1245

CITY OF GRIDLEY

1. _____
Mike Davis, President

1. _____
Frank D. Hall, Councilmember

2. _____
Perry Zimmerman, Business Manager

2. _____
JerryAnneFichter, Councilmember

3. _____
Jack Osburn, Business Representative

3. _____
Jack Slota, City Administrator

4. _____
Brad Wilkie, Finance Director

NEGOTIATING COMMITTEE MEMBERS

1. _____

Elisa Arteaga

2. _____

Randy Davis

3. _____

Daryl Dye

APPROVED AS TO FORM

Brant J. Bordsen, City Attorney