

MEMORANDUM OF UNDERSTANDING

2012-2014

BETWEEN

LABORERS' INTERNATIONAL UNION

OF NORTH AMERICA,

LOCAL 777, AFL-CIO

AND

CITY OF PHOENIX

COVERING

FIELD UNIT I

TABLE OF CONTENTS

PREAMBLE..... 4

ARTICLE 1: RIGHTS 5

 Section 1-1. Purpose 5

 Section 1-1A. Recognition..... 5

 Section 1-2. City and Department Rights 6

 Section 1-3: Union Rights..... 6

 Section 1-4. Rights of Unit Employees..... 12

 Section 1-5. Prohibition of Strikes and Lockouts 16

 Section 1-6. New Positions / Classifications 17

ARTICLE 2: GRIEVANCE / ARBITRATION / LABOR MANAGEMENT..... 18

 Section 2-1. Grievance Procedure..... 18

 Section 2-2. Labor-Management Committee..... 22

 Section 2-3. Notification..... 22

 Section 2-4. Health and Safety Committee..... 23

ARTICLE 3: COMPENSATION / WAGES 24

 Section 3-1. Wages 24

 Section 3-1A. Longevity-Performance Pay 25

 Section 3-2. Overtime 27

 Section 3-2A. Call-Out Pay 28

 Section 3-3. Out-Of-Class Pay..... 29

 Section 3-4. Sick Leave Conversion at Retirement 30

 Section 3-5. Shift Differential Pay..... 31

 Section 3-5A. Weekend Shift Differential Pay 31

Section 3-6. Stand-By Pay	31
Section 3-7. Show-Up Time	32
Section 3-8. Jury Duty Pay	32
Section 3-9. Deferred Compensation Program	33
ARTICLE 4: HOURS OF WORK / WORKING CONDITIONS.....	33
Section 4-1. Hours of Work	33
Section 4-2. Rest and Lunch Periods	35
Section 4-3. Clean-Up Time	35
Section 4-4. Seniority.....	35
Section 4-5. Transfer Program.....	36
ARTICLE 5: BENEFITS	36
Section 5-1: Employee Assistance.....	36
Section 5-2: Health and Dental Insurance.....	36
Section 5-3: Life Insurance.....	37
Section 5-4. Long Term Disability Insurance.....	38
Section 5-5. Holidays and Vacation Pay.....	38
ARTICLE 6: MISCELLANEOUS.....	41
Section 6-1. Saving Clause	41
Section 6-2. Copies of MOU	42
Section 6-3. Aid to Construction of Provisions of MOU.....	42
Section 6-4. Part-Time Employees	42
Section 6-5. Term and Effect of MOU	43
Attachment A	45

PREAMBLE

Whereas the well-being and morale of employees of the City are benefited by providing employees an opportunity to participate in the formulation of policies and practices affecting the wages, hours and working conditions of their employment; and

Whereas the parties hereby acknowledge that the provisions of this Memorandum of Understanding (hereinafter "Memorandum") are not intended to abrogate the authority and responsibility of City government provided for under the statutes of the State of Arizona or the charter or ordinances of the City except as expressly and lawfully modified herein; and

Whereas the parties agree that the Phoenix Employment Relations Board (PERB) unit certification reflects that there exists a clear and identifiable community of interest among employees covered by this Memorandum; and

Whereas the parties, through their designated representatives, met and conferred in good faith pursuant to the Meet and Confer Ordinance in order to reach agreement concerning wages, hours, and working conditions of employees in Field Unit I; and

Whereas it is understood by the parties that any hours or fractions of hours spent outside the employee's work shift in pursuit of rights and benefits provided by this Memorandum, shall not be counted as hours or time worked for the purpose of calculating and paying overtime;

Now therefore, the City of Phoenix, hereinafter referred to as the "City" and Laborers' International Union of North America, Local 777, AFL-CIO, hereinafter referred to as the "Union", having reached this complete agreement concerning wages, hours and working conditions for the term specified, the parties submit this Memorandum to the City Council of the City of Phoenix with their joint recommendation that the body resolve to adopt its terms.

ARTICLE 1: RIGHTS

Section 1-1. Purpose

It is the purpose of this Memorandum of Understanding (hereinafter "MOU") to continue and maintain harmonious relations, cooperation and understanding between the City and its employees; and to set forth the full and entire understanding of the parties reached as a result of good faith meeting and conferring regarding wages, hours, terms and conditions of employment of the employees covered hereby, which understanding the parties intend jointly to submit and recommend for approval and implementation to the Mayor and City Council.

Section 1-1A. Recognition

The City of Phoenix recognizes Laborers' International Union of North America, Local 777, AFL-CIO, (hereinafter "Union") as the sole and exclusive meet and confer agent pursuant to the Meet and Confer Ordinance for all regular employees in positions as certified or hereafter certified by the Phoenix Employment Relations Board (PERB) as constituting Field Unit I. This includes the following positions in Unit I:

All regular full-time and part-time field employees employed by **the following City of Phoenix Departments:** (1) City Clerk – Mail Room, (2) Human Services – Laborers, (3) Parks & Recreation – Division Operations, Sports and Turf Management, Specialized Maintenance, and Aquatics Division, (4) Public Transit – Minibus Operators, (5) Public Works – Solid Waste Collections and Disposal Divisions, Landfill Operations and Transfer Stations, and (6) Street Transportation – Street Maintenance Division, Sign Manufacturing, Street Marking and Parking Meter Sections.

Whenever any words used herein in the masculine, feminine or neuter, they shall be construed as though they were also used in another gender in all cases where they would so apply.

The City will notify the Union, in writing, thirty (30) calendar days in advance before any new position or classification is placed permanently within any Field Unit. The parties agree to consult on the inclusion or exclusion of new classification(s) in Unit I and will thereafter refer any such matter to PERB for appropriate action.

If any conflict exists between the language in the Administrative Regulations or employment/department rule and the language of this MOU, the MOU shall prevail.

Section 1-2. City and Department Rights

- A. The Union recognizes that the City has and will continue to retain, whether exercised or not, the sole and exclusive right to operate, administer and manage its municipal services and work force performing those services in all respects except as expressly modified by this MOU.
- B. The City Manager and Department Heads have and will continue to retain exclusive decision-making authority on matters not officially and expressly modified by specific provisions of this MOU, and such decision making shall not be in any way, directly or indirectly, subject to the grievance procedure contained herein.
- C. The exclusive rights of the City shall include, but not be limited to, the right to determine the organization of City government and the purpose and mission of its constituent agencies, to set standards of service to be offered to the public, and through its management officials to exercise control and discretion over its organization and operations, to establish and effect Administrative Regulations and employment rules and regulations, consistent with law and the specific provisions of this MOU to direct its employees, to take disciplinary action for just cause, to relieve its employees from duty because of lack of work or for other legitimate reasons, to determine the methods, means and personnel by which the City's services are to be provided, including the right to schedule and assign work and overtime, and to otherwise act in the interest of efficient service to the community. Nothing herein shall be construed to diminish the rights of the City under the Meet and Confer Ordinance.

Section 1-3: Union Rights

- 1. No employee shall suffer reprisal for the exercise of rights granted by this MOU.
- 2. **Union Release**

The Phoenix community benefits from harmonious and cooperative relationships between the City and its employees. The City and LIUNA Local 777 have negotiated full-time release positions, and release hours, as an efficient and readily available point of contact for addressing labor-management concerns. Examples of work performed by the release positions in support of the City include ensuring representation for unit employees during administrative investigations and grievance/disciplinary appeal meetings with management; participating in collaborative labor-management initiatives that benefit the City and the unit members; serving on City and departmental task forces and committees; facilitating effective communication between City and

Department management and unit employees; assisting unit members in understanding and following work rules; and administering the provisions of the Memorandum of Understanding. The cost to the City for these release positions, including all benefits, has been charged as part of the total compensation contained in this agreement in lieu of wages and benefits.

1. Full-Time Release Positions

Three (3) persons designated as official full-time release Union representative for the unit shall be allowed up to two-thousand eighty (2,080) work hours for each representative per MOU year to engage in lawful Union activities pursuant to and consistent with this MOU. **The full-time release positions agree to be bound by all City rules and regulations.** Time used for this purpose in excess of two thousand eighty (2,080) hours for each representative shall be at the expense of the Union and the Union shall reimburse the City at the employee's hourly rate of pay. The City will pay the employee's full-time fringe benefits.

The Union shall notify Labor Relations and the appropriate Human Resources Liaison five (5) working days in advance when requesting release time for the above official designated Union representatives.

The Union will submit quarterly reports to the Labor Relations Division documenting the regular work schedules of the release positions and any leave used during the quarter.

Upon return from full-time release, the official Union representative shall be reinstated to their original location/yard and schedule. If the previous location no longer exists then the employee will have their choice of location/yard and schedule. Once at the location/yard the employee will, if applicable, receive an available assignment of route, truck and partner. They will then have an opportunity to participate in the next future transfer process in accordance with the department's transfer policy. In addition, any approved leave time the employee had scheduled prior to their return to their department shall be honored by the department.

2. Union Stewards

The Union may designate forty-five (45) Union members as stewards and shall notify the Labor Relations Administrator of such designations. There shall be no obligation on the City to change or adjust normal departmental scheduling or assignments of personnel as a result of such designations. Such designations shall be made from amongst Union members regularly working at the job sites within the proximate geographic area where

they are intended to provide **representation**. The Union shall endeavor to be equitable in the distribution of its stewards.

- a) One such representative **from the Grievant's home department** may, after the Grievant and the supervisor were unable to resolve the matter informally (Article 2, Section 2-1-A), when the Union is designated by a Grievant as his representative, attend mutually scheduled grievance meetings and hearings with department representatives without loss of pay or benefits. Paid release time used for any other purpose, such as gathering information, interviewing the grievant or witnesses, or preparing a presentation shall be charged against **the bank of Union release hours (Section 1-3 D)**.
- b) City employees who are on duty and are, either witnesses, charging parties, appellants or grievants and the shop steward representing any such employee **from the employee's home department**, may attend grievance, Civil Service, Phoenix Employment Relations Board (P.E.R.B.) and Public Works Accident Review Board meetings on City time provided 1) it is for their particular case which is either scheduled or on the public meeting agenda for that date and time and 2) Once a witness testimony has been concluded, or if a grievant, charging party or appellant once that agenda item has been completed or the grievance meeting concluded, unless they have made other arrangements in advance with their immediate supervisors approval, they will promptly return to work. Management reserves the right to restrict the number of witnesses who can be off of the job at any one time but will cooperate in rotating witnesses from the workplace so as to minimize the impact to operations and service to the public. For group grievances the group will be allowed to select no more than two non-witness grievant representatives to attend the proceeding. These do not have to be the same group grievant representative for each step or meeting of the entire proceeding. As a matter of courtesy, employees will give management as much notice as possible.
- c) Union designated representatives shall be admitted to the buildings and grounds of the City for the purpose of assisting in the adjustment of grievances and other official Union business, so long as such will not, in any manner, interfere with any work operation or the safety and security of any work site. Such representative will check in with the supervisor involved and will be required to conform with the operational and safety regulations and procedures as directed by the supervisor.

3. **Bank of Union Release Hours**

The Union will be allowed, subject to operational and scheduling factors and four (4) working days advance request in each instance, a unit total of five thousand (5,000) hours paid release time in a bank of release hours per M.O.U. year. Requests for release time shall be submitted to the Labor Relations Administrator and approval of release time hereunder shall not be arbitrarily withheld. **The cost to the City for these release hours,**

including fringe, has been charged as part of the total compensation contained in this agreement in lieu of wages and benefits. Examples of how these hours are used by the Union include:

- **For Executive Board members to attend meetings of the Executive Board, meetings of the general membership, and for preparation for negotiations.**
- **For stewards to provide representation when a steward from the employee's home department or a full-time release employee is unavailable.**
- **For a second representative to attend a grievance or investigative meeting.**
- **For authorized representatives to attend Union conferences, meetings, seminars, training classes and workshops so that representatives better understand issues such as City policies and practices, conflict resolution, labor-management partnerships, and methods of effective representation.**
- **For authorized representatives to research and prepare for grievance meetings and disciplinary hearings.**
- **For authorized representatives to educate and communicate with unit members in support of City policies and programs, and participate in City partnerships.**

Only one representative may be released from the same work group at the same time. No representative will be permitted to use more than 420 hours of release time from the bank of hours in any one MOU year.

Any hours used in excess of the bank of Union release hours must be approved by the Labor Relations Administrator and the LIUNA Local 777 Lead Business Manager. The number of hours used in excess of the allowable Union release hours at the end of the contract term will be deducted from the Union release hours available for the following year. A surplus of hours will be carried over into the next year to a maximum total Union release of 7500 hours.

- a) **The Union shall be allowed up to fourteen thousand (\$14,000) dollars per MOU year for designated unit members of the local to attend schools, conferences, workshops, trainings, in-house CDL instruction, and any other activity approved by the Labor Relations Administrator. These monies are to be paid in one lump sum in the first pay period of each MOU year. The City Auditor Department may conduct an audit of the funds used for training purposes periodically. Any payments not adequately supported by the documentation of expenses, or payments made for activities outside the scope of this agreement will be returned to the City by the Union.**

- b) **In recognition of the mutual benefit provided to the City and the Union by the full-time release positions, the City agrees to pay the Lead Business Agent of the Unit two hundred and eight overtime hours each MOU year. The two full time Union Representatives will be paid eighty (80) hours overtime each MOU year. The overtime will be paid on the last paycheck of July upon request of the Union. The Union shall make such request no later than June 1. “**

The Union agrees to reimburse the City of Phoenix for the equivalent salary costs plus fringe benefits on or before the last day of July each MOU year.

- C. Unit members may be authorized in advance in writing to engage in lawful Union related activities during City work hours on a non-paid basis by the City Manager or his designee in his unrestricted discretion consistent with this MOU.
- D. There shall be no use of official time for unit-related activities except as has been expressly authorized under this MOU. The City reserves the right to deny approval of request for use of official time for activities not expressly authorized under this MOU. The City shall not arbitrarily deny requests for use of official time for union activities.

E. Payroll Deductions

- 1) The City shall deduct from the first and second pay warrants of Union members, in each month, the regular periodic Union membership dues as certified by an authorized official of the Union and regular periodic Union sponsored insurance benefits pursuant to the City's deduction authorization form duly completed and signed by the employee and transmit such deductions monthly to the Union no later than the fourteenth (14th) day following the end of the pay period in which the deduction occurs, along with an alphabetical list of all employees for whom deductions have been made. Such deductions shall be made only when the Union member's earnings for a pay period are sufficient after other legally required deductions are made. Authorization for membership dues deductions herein shall remain in effect during the term hereof unless revoked by the employee. Revocation of deductions shall be accepted by the City only during the first week of July or January to be effective the following payroll period. The City will notify the Union of any revocations submitted to it, consistent with the PERB Ordinance Section 2-214.

In addition, the City shall provide the Union the alphabetical list, including, the last four digits of the Social Security Number, the active Union deductions list, and the deductions register on a CD.

If it is determined by a final decision by a court of competent jurisdiction that “Fair Share” does not violate Arizona State law or the Arizona State Constitution, the Union and City shall open up this contract to bargain in good faith over the “Fair Share” issue.

- 2) The City shall not make dues deductions for unit employees on behalf of any other employee organization as defined in the Meet and Confer Ordinance, during the term of this MOU.
- 3) The City assumes no liability on account of any actions taken pursuant to this section. The City shall, however, as promptly as technically possible, implement changes brought to its attention. The City shall, at the written request of the Union during the term of this agreement, make changes in the amount of deduction hereunder for the general membership, provided cost for implementing such changes shall be reimbursed by the Union. This charge shall not apply to submission of new individual authorization cards or revocations or individual status changes.

F. Facilities and Services

- 1) The Union may distribute Union authorized materials on the City's premises (buildings and grounds) before and after scheduled working hours or in non-work areas during scheduled work hours provided both the employee distributing and the employee receiving such material are on their own time.
- 2) The City shall provide the Union with bulletin board space for its sole and exclusive use in communicating with its members at mutually agreeable locations.
- 3) Material which is not abusive of any person or organization, which does not violate Administrative Regulation (A.R.) 2.16, and which is not disruptive of the City's operations, may be posted or distributed, provided that such material is submitted to the City and also signed by an authorized official of the Union. The Union may grieve any refusal by the City to approve posting or distribution of submitted material.
- 4) The Union shall have the right to meet with new unit employees for the purpose of informing each such employee of the Union and of that employee's right to have Union dues deducted from his/her pay warrant. The Human Resources Department will notify the Union when orientation sessions involving new unit employees are scheduled.

Such opportunity shall be accorded the Union during the new employee orientation (NEO) sessions conducted by the Human Resources Department, Public Works Orientation Program (PWOP), and Parks Department new employee orientation (Parks NEO).

G. List of Unit Members

Upon the Union's filing of a Third Party Data Sharing agreement with the HR Department, the City shall provide electronically, at no cost, a list of unit members which includes the following: Emp ID, First Name, Last Name, Initial, Deduct, Service Date, Dept ID, Department, Job Title, Job Locator Code, Mailing Address, City, State, Zip, Home Phone, Work Phone.

Any and all information furnished by the City shall be used by the Union solely for the purpose of communicating with unit members, other legitimate union purposes, and shall not be shared with any other individual or organization.

- H. The Union shall have the right to file a grievance on behalf of our member(s) when personally requested by the member. Filing procedures for grievance shall be those in Article 2, Section 2-1, Grievance Procedure.
- I. Upon written request from the Union, the City will provide specific information from an employee's personnel files pertinent to a written grievance, arbitration case or civil service appeal. The City will also provide all pertinent collective bargaining information requested by the Union. The information will be supplied to the Union at no charge.

Section 1-4. Rights of Unit Employees

- A. All unit members have the right to have the Union serve as their meet and confer representative without discrimination based on membership or non-membership in the Union.
- B. All unit members have the right to present their own grievance, in person or by legal counsel in accordance with Article 2, Section 2-1. A copy of all MOU grievances, filed by anyone other than a designated official Union representative, shall be sent to the Union office. There shall be no cost incurred to the Union.
- C. Unit members have the right to be represented by the Union and the Union reserves the right to provide protection to its members in dealings with the City concerning grievances, and matters pertaining to their individual employment rights and obligations, and during the conduct of a management initiated investigatory interview concerning allegations focused on the employee which may result in disciplinary action against the employee for violation of City or departmental work rules or regulations.

An interview becomes investigatory when facts or evidence sought by management may result in any disciplinary action against the employee being interviewed.

Prior to the employee being interviewed, a supervisor shall advise the employee of the right to a representative. When discipline is issued, and the incident is discussed with the employee, the employee shall be advised of their right to representation.

If any unit member is instructed not to speak to anyone regarding an investigation, this restriction does not apply to speaking to the Union representative.

A unit member under investigation that may lead to a written reprimand, suspension, demotion or discharge and who is interviewed, will be given a written statement informing them of the nature of the allegations. The Notice of Inquiry (NOI) shall be used. The employee has the right to know if their accuser is a City employee or citizen/customer.

Prior to giving the member the above written statement, the supervisor shall also tell the member they have the right to a Union representative. The written statement shall also notify the member that they have the right to have a Union representative attend the investigation meeting. The written statement shall state that the member normally has 72 hours (excluding N days) to respond to the Notice of Inquiry. By mutual agreement, if there are extenuating circumstances, the 72 hours may be extended. The member or representative may ask for a caucus during the meeting. The member shall be allowed to seek advice and counsel from their representative during the caucus and after the conclusion of the interview. Prior to the conclusion of the meeting, the member, or representative on behalf of the member, shall have the opportunity to make a closing statement. Supervisors shall tell the members they normally have 72 hours (excluding N days) to respond after receipt of the Notice of Inquiry.

If an employee is held over or a Union Steward is requested by management to hold over, or is called in from home by a supervisor to represent an employee at a meeting required by management, the employee and/or Union steward will receive overtime compensation for actual time held over or a minimum of one (1) hour if called in from home.

If personally requested by a witness, a Union representative may meet with the witness prior to the witness meeting with the City.

A unit member shall receive a copy of any statement that they are asked to sign.

A unit member under investigation will be notified in writing every three (3) months as to the current status of the investigation. Every thirty days, a unit member under investigation may request a status update. At management's discretion, the status will be provided either

verbally or in writing. This will include the number of known witnesses still to be interviewed and an estimated date the investigation will be completed.

D.

- 1) Any unit member covered hereunder shall, at their request and by appointment, be permitted to examine their personnel files in the presence of an appropriate supervisory official of the Department and/or authorize a Union representative to obtain copies of documents in their personnel files. Said files shall be in a location as specified below, one per location. These include the main Human Resources Department file, the department personnel file, and the official department office personnel file contained at the district or yard office.
- 2) No unit member shall have any adverse statements entered into his personnel file without the member receiving a copy of such statement. Unit members shall acknowledge receipt of such statement in writing by signing that they received a copy. Signing or initialing is not an indication of agreement, but solely evidence of receipt.
- 3) A unit member may, at his discretion, attach rebuttal statements to any material contained in his personnel file which may be of a derogatory nature.
- 4) All unit employees may request that their **home department** personnel files, **both electronic and paper versions**, be purged of any adverse materials which are three (3) years or older providing the employee has received no disciplinary action for the same thing during the one-year period immediately preceding the request. The request must be in writing and forwarded through official channels. Any adverse materials which are three (3) years or older, shall be purged **from the home department personnel file and moved to a section marked "Inactive" in the Central HR Department personnel file.** **Discipline** notices are exempted from these provisions except as described below.
- 5) A unit member may request to have documents related to disciplinary actions, which are ten (10) years or older, removed from their **home department** personnel file when there have been no incidents or problems of a similar nature within the ten (10) year period immediately preceding the request, **and the discipline notice will be moved to a section marked "Inactive" in the Central HR Department personnel file.** The term "disciplinary actions" is defined as:
 - a) Any discipline given a Unit member that resulted in suspension of eighty (80) hours or less and,

- b) For an infraction which did not result in a criminal charge or actions which did not include violent or assaultive behavior directed at another person or,
 - c) Any infraction that is no longer considered to be a disciplinary matter under current contemporary department standards in effect at the time of the Unit member's file purge request.
- 6) Upon written request to department personnel, performance evaluations over ten (10) years old will be purged from a unit member's personnel file after ten (10) years as an active employee. Upon advanced written request, employees can receive a copy of the purged performance evaluation.
- E.** All unit members have the right to be treated in a manner, which is fair and impartial.
- F.** A unit member shall be given a minimum of seventy-two (72) hours, excluding weekends, to confer with his representative prior to responding, either orally or in writing, to any document presented by the City.
- G.** A coaching is a verbal discussion with an employee. A coaching is not to be considered a first offense for purposes of progressive discipline. A written record of a coaching may be placed in the supervisor's files for both positive and negative incidences. A coaching is to be one-on-one. When two (2) or more supervisors are present at the coaching, the employee shall be advised of their right to representation. An employee may receive more than one (1) coaching for a similar matter.

A supervisory counseling is a verbal warning that the supervisor shall document in memo form. A supervisory counseling is not discipline. They are to be used to determine only notice to the employee. If a supervisory counseling is to be used in any disciplinary or personnel action or any performance rating, the employee will be given the supervisory counseling in memo form, that identifies the behavior requiring improvement, the reason for the improvement, and the consequences of continuing the unacceptable behavior. The memo will contain a line for the employee's signature and an above the line statement of "The employee shall date and sign the supervisory counseling, not as an indication of agreement, but solely as evidence of being advised of its existence." The employee will receive a copy of the memo.

A supervisory counseling will only be retained in the supervisor's file. It will not be placed in the employee's personnel file. The supervisory counseling will be purged from the supervisor's file one (1) year from the **date of receipt** provided no further incidents of a

similar nature occur during this one (1) year period from the incident. Upon request, a purged supervisory counseling will be returned to the employee.

- H.** Upon request, an employee who receives a written reprimand or suspension will receive a copy of the information upon which the discipline is based.
- I.** Purging requests apply to all files, in all formats, in all locations.
- J.** In the event documentation that is eligible for purging is not purged, it will not be considered in future disciplinary matters. Discipline over five years old will not be considered in any process.
- K.** Although the terms “coaching” or “supervisory counseling” will not be used, the employee’s behavior or performance which resulted in the “coaching” or “supervisory counseling” can, along with any other behavior or performance, be discussed in the PMG.
- L.** The City shall maintain and provide to each employee at each annual PMG review, a record of exposure for the following: herbicides and pesticides. Asbestos will be included, provided the employees are wearing the required protective equipment necessary for asbestos removal.
- M.** If an employee is not given his/her PMG by the annual review date, the employee’s merit increase shall be processed within twenty-one (21) calendar days following the above due date and be retroactive to the PMG annual review date. (If the PMG is an overall “met”).
- N.** The City will notify employees and Unit I of new or revised written City or Departmental policies affecting unit employees as soon after release as possible. The City shall post on their bulletin boards any new policies and/or revisions in City or written department policies and procedures affecting Unit I employees. Notice shall remain posted for no less than twenty-one (21) working days. Review of policy and procedure revisions shall be included in employee group meetings when appropriate and practical to do so.

Section 1-5. Prohibition of Strikes and Lockouts

- A.** The provisions of the Meet and Confer Ordinance are expressly incorporated herein.
- B.** The City nor its agents for any reason shall authorize, institute, aid or promote any lockout of employees covered by this MOU.

Section 1-6. New Positions / Classifications

- A.** The City shall give notice to the Union within ten (10) working days whenever a reclassification study relating to a group or work unit belonging to Unit I is undertaken. The Classification and Compensation Section shall provide the Union with an opportunity to meet with the person conducting the study prior to preparation of any report or recommendations. The City shall notify the Union of any Unit I reclassification study thirty (30) calendar days prior to that study being presented to the Personnel Committee.

The City will notify the Union, in writing, thirty (30) calendar days in advance before any new position or classification is placed permanently within any field unit.

- B.** The parties agree to consult on the inclusion or exclusion of new classification(s) in the bargaining unit and will thereafter refer any such matter to PERB for appropriate action.
- C.** The City agrees that except in extraordinary situations it will notify the Union in advance in writing when significant changes will be made in the duties and responsibilities in position classification standards resulting in classification changes.
- D.** The Union may submit written requests for job classification studies to the Human Resources Department. Requests from the Union will be prioritized with other standing requests.
- 1) All written requests for classification studies submitted by the Union shall include, but not be limited to, the following information:
 - a) A full description of the new duties and responsibilities.
 - b) A full explanation of why the Union feels the position(s) should be reclassified.
 - c) A list of comparative positions/ classifications that led to the Union's request.
 - d) Such other information as is normally considered relevant to a classification review.
 - 2) The results of the audit of any classification study shall be subject to review by the City's Personnel Committee in accordance with existing procedures.
 - 3) The City will inform the Union when Union-requested classification studies are begun and will inform the Union in writing of progress of the study at thirty (30) calendar day intervals.

ARTICLE 2: GRIEVANCE / ARBITRATION / LABOR MANAGEMENT

Section 2-1. Grievance Procedure

The benefits granted by this Article shall not be interpreted or applied as requiring the employer to count as time worked, any hours or fractions of hours spent outside the employee's work shift in pursuit of benefits provided by this Article. The employer shall count as time worked any hours or fractions of hours spent within the employee's regular work shift in pursuit of benefits provided by this Article.

A. Informal Resolution

It is the responsibility of unit members who believe that they have a bona fide complaint concerning their working conditions to promptly inform and discuss it with their immediate (non-unit) supervisor in order to, in good faith, endeavor to clarify the matter expeditiously and informally at the employee's immediate supervisor level.

If such informal discussion does not resolve the problem to the unit member's satisfaction, and if the complaint constitutes a grievance as herein defined, the unit member may file a formal grievance in accordance with the following procedure.

B. Definition of Grievance

A "grievance" is a written allegation by a unit member, submitted as herein specified, claiming violation(s) of the specific express terms of this MOU for which there is no Civil Service or other specific administrative method of review provided by State or City law.

C. Procedure

In processing a formal grievance, the following procedure shall apply:

Step I

The unit member shall reduce his grievance to writing by signing and completing all parts of the grievance form provided by the City, and submit it to his second-line supervisor designated by the City within fifteen (15) calendar days of the initial commencement of the occurrence being grieved or when the employee has reasonable cause to become aware of such occurrence. Either party may then request that a meeting be held concerning the grievance or they may mutually agree that no meeting be held. The supervisor shall, within ten (10) calendar days of having received the written grievance or such meeting, whichever is later, submit his response there to in writing, to the grievant and the grievant's representative, if any.

Step II

If the response of the first level of review does not result in resolution of the grievance, the grievant may appeal the grievance by completing, signing and presenting the City form to the second level of review (Department Director designated by the City) within ten (10) calendar days of the grievant's receipt of the level one (1) response. Either party may request that a meeting be held concerning the grievance or may mutually agree that no meeting be held. Within ten (10) calendar days of having received the written grievance or the meeting, whichever is later, the second level of review shall submit his response to the grievance to the grievant and the grievant's representative, if any.

Step III

If the response of the second level of review does not result in resolution of the grievance, the grievant may, within ten (10) calendar days of the second level response, appeal the grievance by completing, signing and presenting the City form to the Grievance Committee. The Grievance Committee shall be composed of:

Chairman - A member of the City Manager's Office designated by the City Manager.

Secretary - The Labor Relations Administrator or his designee.

Member - The Business Manager of the Union or his designee.

The Grievance Committee shall, within ten (10) calendar days of receipt of the appeal, schedule a hearing regarding the grievance at which the grievant shall be afforded the opportunity to fully present his position and to be represented.

The Grievance Committee shall, within ten (10) calendar days of the conclusion of the hearing, make an advisory recommendation on the grievance and submit it to the City Manager for final determination for those employees who have elected to use this procedure instead of arbitration. In lieu of such hearing, the grievant and the Union may jointly invoke the following procedure by submitting written notice to the Labor Relations Division within ten (10) calendar days of the second level response.

If the grievant so elects and the parties mutually agree, the grievant may request the assistance of a Federal Mediation and Conciliation Service (FMCS) mediator to try to resolve the issue within a reasonable time. If no resolution is found during this process, the grievant may submit a request in writing within ten (10) calendar days of this finding to invoke the following procedure.

If the grievant so elects in writing within the above time limit, in lieu of such hearing, the grievance may be reviewed by an arbitrator. The parties, or their designated representative, shall agree on an arbitrator, and if they are unable to agree on an arbitrator within a reasonable time,

either party may request FMCS to submit to them a list of seven (7) arbitrators who have had experience in the public sector.

The parties shall, within seven (7) calendar days of the receipt of said list, select the arbitrator by alternately striking names from said list until one name remains. Such person shall then become the arbitrator. The arbitrator so selected shall hold a hearing as expeditiously as possible at a time and place convenient to the parties, and shall be bound by the following:

1. The arbitrator shall neither add to, detract from nor modify the language of the MOU or of departmental rules and regulations in considering any issue before him.
2. The arbitrator shall expressly confine himself to the precise issues submitted to him and shall have no authority to consider any other issue not so submitted to him.
3. The arbitrator shall be bound by applicable State and City law.

The grievance committee or the arbitrator shall submit findings and advisory recommendations to the grievant and to the City Manager. The cost of the arbitrator and any other mutually incurred costs shall be borne equally by the parties.

The City Manager, shall, within fourteen (14) calendar days of the receipt of the written findings and recommendations, make the final determination of the grievance and submit it in writing to the grievant and his/her designated representative.

D. Union Grievance

The Union may, in its own name, file a grievance that alleges violation by the City of the rights accorded to the Union by Article 1, Section 1-3. The Union shall file such grievance at Step II of the procedure.

E. Time Limits

Failure of City Management representatives to comply with time limits specified in Section C shall entitle the grievant to appeal to the next level of review. Failure of the grievant to comply with said time limits shall constitute abandonment of the grievance. Except however, that the parties may extend time limits by mutual written agreement in advance.

F. Notice to Union of Grievance Resolutions

The City will put the Union on notice of proposed final resolutions of grievances where the Union has not been designated as the grievant's representative for the purpose of allowing the Union to ascertain that a final resolution will not be contrary to the terms of this MOU.

G. The City will not discriminate against employees because of their exercise of rights granted by this Article.

H. Full-time and part-time employees are covered by this grievance procedure.

I. Employer grievances, should they occur as a result of official Union activities or actions, including the failure to act as required under this agreement, will be presented directly to the Union Business Manager, or his designee within fifteen (15) days of the date upon which the employer became aware of the situation prompting the grievance. The Business Manager, or his designee shall in each case provide a written answer within ten (10) calendar days from receipt of the grievance.

Unresolved employer grievances may be submitted to either the Grievance Committee or arbitration pursuant to Step III herein; provided, the employer bears the cost of the arbitrator.

J. Group Grievance

When more than one unit member claims the same violation of the same rights allegedly accorded by this MOU, and such claims arise at substantially the same time and out of the same circumstances, a single group grievance may be filed in the name of all such members. Such group grievance shall be filed at the Step II of this procedure which provides the next level of supervision having authority over all named grievants. Each unit member that is a party grievant must be named and must sign such group grievance.

K. The City will notify Grievant by mail, to Grievant's on file home address of the date, time, and place of his Grievance Committee hearing, **and e-mail a copy of the letter to the Union Hall.** Unless emergency circumstances apply, if either the City representative or Grievant does not appear at the Grievance Committee hearing, the party not appearing shall lose the grievance.

Section 2-2. Labor-Management Committee

The benefits granted by this Article shall not be interpreted or applied as requiring the employer to count as time worked, any hours or fractions of hours spent outside the employee's work shift in pursuit of benefits provided by this Article. The employer shall count as time worked any hours or fractions of hours spent within the employee's regular work shift in pursuit of benefits provided by this Article.

- A. There shall be a Labor-Management Committee consisting of a maximum of six (6) representatives of the Union and five (5) representatives of the City in addition to the Labor Relations Administrator who shall be Chairman. The purpose of the Committee is to facilitate improved labor-management relationships by providing a forum for free and informal discussion of mutual concerns and problems.
- B. The Committee shall meet, no more than six (6) times per MOU year, or more often by mutual agreement, at mutually agreed upon times. The Committee will also meet to discuss methods of improving the level of productivity when needed. The members shall, upon request for a meeting, provide the Chairman with proposed agenda items and the Chairman shall provide the members with the meeting agenda in advance of the meeting.
- C. Any signed/dated written Labor/Management agreements with the signatures of the parties and the Chairman will be binding on the parties for the remaining term of the MOU.
- D. If the representative of the Union is a unit member, such representative shall not lose pay or benefits for meetings mutually scheduled during duty time.

Section 2-3. Notification

- A. **The City will schedule a meeting with the Union, with a minimum of seven calendar days' notice to discuss management recommendations for contracting of work presently being performed by unit members, which would directly result in a reduction in the number of regular unit positions during the term of this agreement. The meeting will occur prior to any final recommendation to the City Council. Failure by the City to meet with the Union under this Article may be subject to the Grievance Procedure (Article 2, Section 2-1) of this MOU. The management recommendation, and final decision thereon by the City, shall not be subject to the Grievance Procedure (Article 2, Section 2-1.)**
- B. Prior to the City changing any FMLA administrative practices, the City will meet with the Union to discuss these changes and consider the Union's input.

- C. The Management recommendation, and final decision thereon by the City, shall not be subject to the Grievance Procedure (Article 2, Section 2-1) of this MOU.

Section 2-4. Health and Safety Committee

The benefits granted by this Article shall not be interpreted or applied as requiring the employer to count as time worked, any hours or fractions of hours spent outside the employee's work shift in pursuit of benefits provided by this Article. The employer shall count as time worked any hours or fractions of hours spent within the employee's regular work shift in pursuit of benefits provided by this Article.

- A. The City will continue to undertake all reasonable efforts to provide for employee health and safety in accordance with the State's Occupational Safety and Health Law.
- B. In order to facilitate this policy, a joint committee entitled "Health and Safety Committee" shall be established. This Committee shall be composed of two (2) unit employees appointed by the Union and two (2) City representatives as designated by the City Manager. The Chairmanship shall rotate among the members.
- C. The Committee shall meet quarterly at mutually scheduled times or more frequently by mutual agreement to consider on-the-job safety matters referred to it by the existing departmental safety committees and safety officers, or otherwise coming to its attention, and shall advise Department Heads and the City Manager concerning on-the-job safety and health matters.

All written recommendations of the Committee shall be submitted to the Department Head concerned and to the City Manager.

- D. The Committee shall be guided by the applicable regulations of the State's OSHA agency, and the City's existing practices and rules relating to safety and health, and formulate suggested changes.
- E. Employee members of the Committee shall not lose pay or benefits for meetings mutually scheduled during their duty time.
- F. The City will provide to the employee a copy of the completed accident investigation and any other material the City plans to present at a hearing or appeal process.

The City will also receive a copy of any material the employee plans to present at a hearing or appeal process. This material will be supplied as quickly as possible after the material has been prepared. A hearing or appeal date will not be scheduled sooner than fourteen (14) calendar days after employee's receipt of the material.

ARTICLE 3: COMPENSATION / WAGES

Section 3-1. Wages

- A. The total negotiated compensation for the contract year 2012-13 will be a 1.6% restoration of the 3.2% economic concessions that were negotiated in 2010 – 2012. These restorations will be effective July 9, 2012, which is the start of the new pay period, and allocated as follows:**

First, the combined increases in health, dental and life insurance result in a charge to the unit of .1% in total compensation. This amount continues the \$150 monthly allowance for Post Employment Health Plan accounts (PEHP) for all qualifying employees eligible to retire after August 1, 2022. (The date of an individual's retirement eligibility was determined on August 1, 2007).

Second, the 1% wage concession is restored.

Third, rates of pay shall be increased by 0.94% over and above the restoration.

For the contract year 2012-2013, economic concessions will continue as follows:

Deferred compensation contribution is reduced by 2.4%

- B. For the contract year 2013-2014, the 2012-2013 economic concessions will continue, unless the Stability Indicators in Attachment A are met.**
- C. Licensed Pesticide Applicators shall receive fifty (\$.50) in addition to their base hourly rate for each hour engaged in assigned and authorized activities when applying, mixing, or managing herbicide or pesticides. This compensation includes any preparation and maintenance of application equipment.
- D. Employees will be allowed City time to renew their CDL license and or related endorsements and will be reimbursed for such renewal fees which will include the HAZMAT background screening fee.

- E. It is understood that for implementation purposes, the practice of rounding of fractional cents shall be done in accordance with accepted mathematical and accounting principles.
- F. Notwithstanding the rates of pay set forth in any appendix or attachment to the agreement for reference, the term "Pay Schedule" shall mean the schedule computed and published by the Human Resources Department for payroll purposes pursuant to Council Action in the Pay and Compensation Ordinance.

Section 3-1A. Longevity-Performance Pay

In recognition of continuous service and overall performance, the City agrees to the following longevity-performance pay formula for unit employees.

A. Pay Benefit:

In November of each calendar year (paid the first pay period in the month of December of each calendar year), and May of each calendar year (paid the second pay period in the month of June of each calendar year), unit members who have completed at least six (6) years of continuous full-time service and who meet the additional qualifications of this section shall qualify for fifty dollars (\$50.00) for each full year of continuous full-time service in excess of five (5) years, up to a semi-annual maximum of seven hundred dollars (\$700.00), annual maximum of fourteen hundred dollars (\$1,400.00) at nineteen (19) years.

In November of each calendar year (paid the first pay period in the month of December of each calendar year), and May of each calendar year (paid the second pay period in the month of June of each calendar year), unit members who have completed at least twenty (20) years of continuous full-time service and who meet the additional qualifications of this section shall qualify for sixty-five dollars (\$65.00) for each full year of continuous full-time service in excess of five (5) years, up to a semi-annual maximum of nine hundred ten dollars (\$910.00), annual maximum of eighteen hundred twenty dollars (\$1,820.00).

B. Qualifications:

- 1) An employee must have completed at least one (1) year of continuous full-time service at the top step in his pay range. Qualifications for longevity pay are made in the base class and will not be affected by movement into or out of assignment positions. As well, longevity will not be affected by movements to positions within the same pay range.
- 2) An employee must have completed six (6) years of continuous full-time service.

- 3) An employee must have received a performance rating of overall "Met" on his latest scheduled performance evaluation on file in the Human Resources Department. For employees who are otherwise eligible for longevity, an employee who receives an overall "Not Met" evaluation shall receive another evaluation within ninety (90) days to one-hundred-twenty (120) days, and if that evaluation is an overall "Met", he will be eligible to receive the next scheduled longevity payment. A unit member who receives an overall "Not Met" rating may appeal by memo through his chain of command to the Department Head.
- 4) An employee must be on full-time active status. Employees on industrial leave shall qualify for this payment for only the first year of the industrial leave. However, the entire period of industrial leave shall qualify as continuous service when the employee returns to active employment.

C. Terms of Payment:

- 1) Payments will be made within thirty (30) days of the qualifying date.
- 2) Employees who separate from City employment after the qualifying date but prior to the payment day shall receive the payment in their termination pay.
- 3) The longevity payment will be included in the regular paycheck instead of being paid in a separate warrant.
- 4) When a position is reclassified to a higher classification, or when classification is assigned to a higher pay range, incumbents who are receiving longevity pay shall be moved to that step of the new range which corresponds the closest to their combined base pay and previous longevity amount (incumbent's last semiannual payment times two), and which does not result in a decrease from that combined amount. The placement in the new range will be limited to the maximum step in the range. If the reclassification or pay range change only results in a maximum possible one-range increase, and the incumbent is receiving longevity pay, he/she will be moved to the top step and continue to be eligible for longevity pay.

D. Longevity Program Evaluation:

During the next twelve months, the Union will participate in Labor-Management efforts to study options to the longevity pay program.

Section 3-2. Overtime

- A. As a regular practice, overtime shall not be used. The parties agree that at times the City may require overtime work outside of an employee's regularly-scheduled shift.
- B. Overtime is defined as time assigned and worked beyond the regularly scheduled eight (8) hours per shift or forty (40) hours per week; except overtime for unit members who normally work a daily work shift of eight (8) consecutive hours including a paid meal period on the job, is defined as time assigned and worked in excess of forty (40) hours in a seven (7) day work period or eight (8) hours per daily shift, excluding paid meal breaks.

Overtime for unit employees assigned to a 4/10 schedule is defined as time assigned and worked beyond the regularly scheduled ten (10) hours per shift or forty (40) hours per week.

- C. **Except for paid sick leave, all duly** authorized paid leave time shall be considered as time worked for the purposes of the regularly scheduled workweek (but not daily work shift). **Paid sick leave shall not be considered as time worked for the purpose of calculating overtime for the regularly scheduled workweek.**

The employee's appropriate leave bank will be charged only for the difference between the scheduled daily work shift and the hours actually worked that day.

- D. Overtime shall be worked and shall be allowed if assigned by the non-unit supervisor or other authorized representative of the City. The City shall endeavor to be equitable in the distribution of voluntary overtime amongst qualified employees or crews of employees within the same classification, function, work location, and shift. Seniority may be used as a factor in determining the assignment of overtime work. Other factors include skill level, assigned equipment, etc. The City will make available to the Union upon request reports of overtime worked by unit members on a quarterly basis. The City reserves the right to assign overtime in the event insufficient employees volunteer, to avoid inadequate staffing, to insure timely service delivery or to conduct mandatory training.

Employees may be required to work on scheduled holidays and/or non-work days during the holiday week in order to provide City services on weeks containing holidays.

Rotational overtime work lists ranked by seniority shall be posted on city bulletin boards and updated each time it is worked.

- E. Compensation for overtime work as defined in Section B. above will be as follows: One and one-half (1-1/2) times the regular rate. The regular rate shall include, if applicable, night shift

differential, stand-by pay, and out-of-class pay. Overtime will be compensated after the first seven (7) minutes assigned and worked beyond a member's regularly scheduled work week or work shift, as outlined in Section B, calculated to the nearest quarter (1/4) hour. There shall be no compounding or pyramiding of overtime pay with regular or premium pay except as required under the Fair Labor Standards Act. There shall be a minimum of fifteen (15) hours off between shifts [thirteen (13) hours for a unit member working a 4/10 schedule]. If this is not possible, the unit member shall receive overtime compensation at his regular rate of pay for each full hour worked within the described fifteen (15) hour period [thirteen (13) hour period for a unit member working a 4/10 schedule]. This language only applies to employees who work two (2) full shifts. If an employee works less than a full shift, either before or after his/her regular shift, the 15/13 hour rules do not apply. **This rule does not apply to scheduled training hours worked within the fifteen (15) hour window.**

- F. In lieu of cash payment, a unit employee may request compensatory time credits up to a maximum accumulation of two hundred-ten (210) hours. The request for compensatory credit must be made at the time the overtime is worked. Use of compensatory time off within the work period shall be subject to departmental approval and scheduling.

Accumulated compensatory time in excess of two hundred-ten (210) hours must be paid in cash.

Effective July 2009, two hundred-ten (210) hours is increased to two-hundred-fifteen (215) hours.

Section 3-2A. Call-Out Pay

- A. A unit member called out for work after going home from a shift or called out for overtime work while on stand-by pay shall be entitled to a minimum of three (3) hours pay at time and one-half (1 ½) times the employee's regular rate of pay.
- B. Travel time shall be included in the minimum call-out guarantee and shall be paid only if the total work and allowed travel time exceed the three (3) hour minimum. The total travel time compensated for round trip travel to and from the job site shall be forty-five (45) minutes.
- C. Travel time shall not apply when the employee is working on overtime which was planned in advance. An employee requested to report early, before the normal starting time of the shift, shall not be eligible for travel time, but would qualify for overtime for the extra time worked at the job site.

Section 3-3. Out-Of-Class Pay

A unit member temporarily required to serve in a regular authorized position in a higher classification shall be compensated at a higher rate of pay in accordance with the following:

- A.** To be eligible for the additional compensation, the unit member must first accumulate ten (10) regular working shifts of assignment in the higher class within any twenty-four (24) month period; satisfactory performance during a previous appointment to the higher class will be credited to the qualifying period. The days of out-of-class assignment need not necessarily be consecutive.

The days of out-of-class will be credited to the qualifying period. Once this qualification is satisfied, no additional re-qualification will be required. Any employee in the Parks and Recreation Department and the Street Transportation Department, who has accrued one hundred and twenty (120) hours and who has completed training approved by the City and who has received a City certificate certifying that they can operate the equipment, shall not be required to accumulate any shifts as stated in this section to qualify for out-of-classification pay.

- B.** Temporary assignments out-of-class shall be recorded only in full-shift units. A unit member working out-of-class for four (4) hours in an eight (8) hour shift or five (5) hours in a ten (10) hour shift or more in a given shift shall be credited with working out-of-class for the entire shift. No out-of-class credit shall be given for out-of-class work of less than four (4) or five (5) hours in any given shift.
- C.** To qualify for out-of-class pay, a unit member must be assuming substantially the full range of duties and responsibilities of the higher level position. Out-of-class pay is not authorized, for example, if the organization of a work unit is such that each unit member carries on his normal duties during the temporary absence of a supervisor, without a need for the direction which the supervisor would provide on a longer term basis. However, eligibility for out-of-class compensation shall take place when an employee becomes responsible on a regular basis, for the full range of duties normally assigned to the higher class.
- D.** Time worked in a higher class shall not earn credits toward the completion of probationary requirements in the higher class.
- E.** A unit member who has qualified under these provisions shall be compensated at the minimum rate established for the higher class for each completed work shift served in the higher class. In the event of overlapping unit salary ranges, a minimum one-step differential shall be paid for out-of-class assignments into unit classifications. The higher rate of pay

shall be used in computing overtime when authorized overtime is served in out-of-class work assignments; the overtime rate shall be the rate established by the overtime regulations that apply to the higher rank.

- F. The City shall endeavor to be equitable in the distribution of out-of-class assignments amongst qualified unit members.
- G. The City shall not make out-of-class assignments pursuant to this Article in an arbitrary and capricious manner.

Section 3-4. Sick Leave Conversion at Retirement

A. Sick Leave Cash Out Formula

A unit member who has accumulated a minimum of seven hundred and fifty (750) qualifying hours or more of accrued and unused sick leave at the time of a duty-related retirement shall be eligible for payment of an amount of compensation equal to twenty-five percent (25%) of his base hourly rate for all hours in excess of two hundred and fifty (250) hours.

B. Final Average Salary

The number of sick leave hours eligible to be cashed out and included in an employee's Final Average Salary upon retirement will be limited to the number of sick leave hours in the employee's leave bank on July 1, 2012, provided all criteria are met as described in Subsection A.

Employees with less than 250 hours of accrued and unused sick leave on July 1, 2012, will not meet the minimum balance requirements for a sick leave cash out that can be included in their Final Average Salary.

The portion of accrued and unused sick leave that is not included in the Final Average Salary upon retirement can be cashed out as a lump sum upon retirement, provided all criteria are met as described in Subsection A.

Section 3-5. Shift Differential Pay

Unit members shall receive fifty cents (\$.50) per hour in addition to their hourly rate of pay when working a night shift which ends at or after 9:00 p.m. and before midnight, and seventy-five cents (\$.75) per hour in addition to their hourly rate of pay when working a night shift which includes work during the period after midnight to 3:30 a.m.

Employees shall receive night shift pay differential only for hours scheduled and worked, and not while on paid leave time.

Employees participating in a 4/10 work schedule shall receive fifty cents (\$.50) per hour in addition to their hourly rate of pay when working a regular night shift which ends between 10:00 p.m. and 3:30 a.m., inclusive, and seventy-five cents (\$.75) per hour in addition to their hourly rate of pay when working a regular night shift which ends after 3:30 a.m. Night shift differential shall continue to be paid at the rate of the regular shift for any additional hours worked following the regular shift.

Section 3-5A. Weekend Shift Differential Pay

A unit employee shall receive forty-five cents (\$0.45) per hour added to his base hourly rate of pay and any other shift differential or any other premium pay he may be receiving for working a weekend shift. A designated weekend shift is defined as any shift that starts on or after 2:00 p.m., on Friday, and continuing through any shift that starts on or before, but not after 11:59 p.m. on Sunday.

A unit member shall receive weekend shift pay differential only for hours scheduled and worked, and not while on paid leave.

A unit member, who is called out and works between 2:00 p.m. on Friday and 11:59 p.m. on Sunday, will be paid weekend shift differential for all hours worked at the rate specified in this article. If a unit member was called out while on stand-by status, he will not receive weekend shift differential.

Section 3-6. Stand-By Pay

When a unit member is required and assigned to be available for emergency call back, outside of his regular daily or weekly work schedule, the employee shall be compensated for such stand-by hours that he remained available at three dollars and twenty-five cents (\$3.25) per hour. Unit members serving in stand-by assignments shall be subject to contact requirements as provided for by the Department Head.

Section 3-7. Show-Up Time

Except in emergencies, an employee who is scheduled to report for work, has not been notified to the contrary, and presents himself/herself for work as scheduled, shall be paid for at least four (4) hours at the hourly or applicable rate of pay. If work on the employee's regular job is not available for reasons beyond his control, the City may assign the employee substitute work. Where there is substitute work readily available, the opportunity for such work will not be arbitrarily denied.

In the event scheduled work is interrupted due to conditions beyond the City's control, and substitute work is not available to be assigned, affected employees shall be paid for four (4) hours at the hourly or applicable rate of pay, beginning at release, or to the end of the scheduled work shift, whichever occurs first. An employee shall have the option of using either vacation time, accumulated substitute holiday credit, or unpaid leave for the balance of his regular shift.

Employees released hereunder prior to the end of their scheduled shift may be required to stand-by and keep themselves available for immediate call-back during the balance of their scheduled shift (for which time they shall be entitled to stand-by pay under Article 3, Section 3-6 hereof). Employees called back to work shall be entitled to their hourly rate of pay only and not any guaranteed minimums for work performed during the balance of their regularly scheduled shift.

Section 3-8. Jury Duty Pay

A unit member called for jury duty or subpoenaed by a court as a witness shall be granted a leave of absence for the period of jury or witness service and will be compensated his/her regular pay and jury or witness pay for work absences necessarily caused by such jury or witness duty. To be eligible for such pay, an employee must present verification of the call to jury or witness duty.

A unit member required by the Court to call in for jury duty the morning of his/her scheduled daily work shift may elect to take the day off on vacation or compensatory time. Such leave request shall not be denied. Should the unit member be required by the Court to report for jury duty, the vacation or compensatory time will be restored from the actual time of reporting required by the Court through the end of the scheduled work shift. To be eligible for such leave restoration, the unit member must present verification of the jury service.

Unit members subpoenaed to appear as a witness in court as a result of their official duties on their status as a City employee shall return all fees tendered for such service to the City.

Paid witness leave shall not be allowed when the unit member is the defendant, plaintiff, or voluntary character witness in a court action.

Section 3-9. Deferred Compensation Program

The current percentage of base pay for deferred compensation is .45 %.

The Deferred Compensation Program benefit will be increased by up to 2.4% in the second year of the 2012-2014 contract, provided the Stability Indicators are met as described in Attachment A.

ARTICLE 4: HOURS OF WORK / WORKING CONDITIONS

Section 4-1. Hours of Work

A. This Article is intended to define the normal hours of work and to provide the basis for calculation and payment of overtime pursuant to Article 3, Section 3-2.

B. Work Week Defined

The regular work week for regular full-time unit members shall consist of five (5) consecutive work days in a seven (7) day pre-established work period, except as provided in Article 4, Section 4-1-F and except in those departments performing normal services regularly on Saturday and/or Sunday and except in those operations utilizing a different work week, such as a four (4) day work week.

C. Work Day Defined

The work day for regular full-time unit members shall consist of eight (8) hours of work within any twenty-four (24) hours in a pre-established work schedule, exclusive of unpaid time allotted for meals except in those operations utilizing a different workday schedule such as a ten (10) hour work day.

D. Work Schedule Changes

Except for emergency situations, permanent regular work schedules shall not be changed without notice by the Department of at least fourteen (14) days to the affected employee(s) and to the Union. Exceptions for more or less than the fourteen (14) days notice mentioned above may be mutually agreed to by labor and management on a case by case non-precedent basis.

When temporary work schedule changes are necessary, the Department will try to give affected employees at least two (2) calendar days notice or, if less notice, it will be considered an emergency.

When changes are to be made by the City on a permanent basis for other than emergency reasons, or where new permanent schedules are to be adopted, the City will notify the Union of such changes or new schedules, prior to implementation. Overtime work or stand-by, before or after the normal work day or work week, does not constitute a change in the work schedule.

E. Summer Work Schedules

Summer hours may begin no later than the first Monday in April, and may terminate no earlier than the second Monday in October whenever such scheduling impacts operations, all of which are within the discretion and control of the City, and where such summer scheduling has been customarily used in the past. Summer scheduling may, at the discretion of the City, be implemented earlier or terminated later in the year than specified in this section.

It shall be within the Department Head's discretion to determine starting times for summer hours based on such operational considerations as dividing and/or rotating crew starting times to facilitate safety to the public, employees and equipment, to guarantee a high level of convenient service to the public, to preclude negative impact on traffic flow, and similar factors.

It shall be appropriate for the Labor-Management Committee (Article 2, Section 2-2) to review and discuss the daily starting and ending times of summer hours.

- F.** The City may implement a ten (10) hour workday, four (4) workdays per week schedule in all functions of the Solid Waste Management Division. The implementation of the "four/ten" work schedule in other departments designated under Field Unit I may be considered in the Labor-Management Committee upon submission of a request by either party.

Except for Solid Waste Collections and Disposal, the regular work-week for regular full-time unit members working a "four/ten" work schedule shall consist of four (4) consecutive work days in a seven (7) day pre-established work period.

Section 4-2. Rest and Lunch Periods

- A. Existing workday schedules spanning nine (9) elapsed hours shall continue to include a sixty (60) minute unpaid meal period. Existing workday schedules of eight and one-half (8-1/2) hours and ten and one-half (10-1/2) hours shall continue to include a thirty (30) minute unpaid meal period. Workday schedules of eight (8) and ten (10) consecutive hours shall include a paid straight time meal period of up to one-half (½) hour on the job. Two (2) non-work periods of up to fifteen (15) minutes during a regular daily shift shall be permitted by supervision to promote the health, safety, and efficiency of employees on the job. Emergency situations may make this impossible in rare situations. Activities of employees during those non-work periods shall not be subject to any unreasonable restrictions.

- B. When a unit member does not receive a paid meal period, his/her meal period shall be uninterrupted and duty-free.

Section 4-3. Clean-Up Time

Employees will be given time, in keeping with past practice, at the end of a normal daily shift for personal clean-up.

Such time is in addition to and exclusive of any time the City requires be spent for maintaining equipment.

The intent of the above provision has always been to allow field employees who need personal clean-up prior to rest or lunch periods a reasonable amount of time to do so. Clean-up material should be supplied on an as needed basis to field employees. If the field supervisors and employees act reasonably in addressing the issue, everyone will have a healthier and safer work environment.

Section 4-4. Seniority

- A. The City shall provide the Union with a list of unit members showing each unit member's employment date and class date.

- B. Seniority shall be by length of service within a class. If seniority within a class is not determinative, then length of service with the City shall prevail.

- C. Seniority shall be used as a factor consistent with established Civil Service procedures in choice of work assignments, vacation schedules, and in the determination of layoffs.

Section 4-5. Transfer Program

The City and the Union acknowledge mutual interest in the success of the present program of minimizing layoffs of employees by seeking to place such employees in other positions, consistent with Civil Service Rules on seniority. The Union agrees to provide positive counseling to unit members so affected to ease the transition to other positions. The City agrees to make available, on request, job counseling in order to provide training assistance to the employee during the first thirty (30) days of the new work assignment.

Although not required to honor a request for a voluntary transfer for an employee having documented extraordinary personal hardship beyond his/her control, the City will try to honor the request. In such a case, factors such as, but not limited to, the employee's shift, seniority, and work record may be considered.

To every extent practicable, a transferred unit member will be allowed to maintain his previous vacation schedule.

ARTICLE 5: BENEFITS

Section 5-1: Employee Assistance

The City Employee Assistance Program, will provide confidential, individual and family counseling to all unit employees and their eligible dependents. These services will be furnished by an independent contract agency to be chosen by the City.

Section 5-2: Health and Dental Insurance

- A.** The City shall maintain the current 80/20 split for health insurance for both single and family coverage. If there is a rate increase or decrease the City shall pay 80% of the new monthly contribution and the employee will pay 20%.
- B.** The City agrees to the continuation of a Health Insurance Advisory Committee for the purpose of studying existing plans and to explore alternative plans. The Committee shall include representatives of the City and Union.
- C.** The City shall retain the dental insurance plan for unit members and their qualified dependents. The plan shall consist of eighty percent (80%) payment of reasonable and customary charges covered for preventive and diagnostic services, basic services, and major

services. The plan shall also include an orthodontia benefit providing for eighty percent (80%) payment of reasonable and customary charges up to a maximum lifetime benefit of four-thousand (\$4,000) dollars per person. This plan is subject to the deductibles and limitations contained in the contract between the dental insurance carrier and the City of Phoenix. The City shall pay the premium costs for single unit employees (employee only coverage), and seventy-five percent (75%) of the premium costs for unit employees and their qualified dependents (family coverage).

The City shall maintain the current dental premium split. If there is a rate increase or decrease, the City will pay 100% of the new monthly contribution for single coverage. If there is a rate increase or decrease, the City will pay 75% of the new monthly contribution, and the employee will pay 25% for family dental coverage.

- D. The City agrees to continue the formalized complaint procedure with respect to the service under all plans.
- E. Unit members retiring on or after July 1, 2006, who meet all other MERP eligibility requirements and purchase either single or family City of Phoenix health insurance, shall receive an additional \$100.00 (one hundred dollars) per month to help defray the cost of health insurance.

Unit members retiring after August 1, 2022, who meet eligibility requirements, shall receive the \$150 month allowance for Post Employment Health Plan accounts (PEHP).

Section 5-3: Life Insurance

The City will provide regular full-time unit members the existing off-the-job and on-the-job life and dismemberment insurance coverage. The face value of the policy being fifteen thousand dollars (\$15,000); in addition the City will pay seventy-five thousand dollars (\$75,000) for death in-the-line-of-duty insurance.

The designated beneficiary of a unit member will be paid for all accumulated sick leave hours that remain on the City's official file at the time of a line-of-duty death of the unit member and payment will be based upon the unit member's current base hourly rate. The beneficiary shall be designated on the Employee Declaration of Beneficiary card for the City of Phoenix Group Life Insurance Program on file in the City Human Resources Department.

Additionally, the City will provide to each unit member a \$200,000 death benefit covering the unit member's commutation to and from his City work location. This policy will be consistent with the policy negotiated in 1997 with CIGNA Group Insurance, and will cover the unit

member's commute for up to two hours before his shift begins, and two hours after his shift concludes. The Union will only pay the cost of this benefit the first year of the MOU.

In the event of the death of a unit member while commuting to or from his work location, for a period of two hours each way, the City will continue to pay the full monthly health insurance premium for the spouse and all eligible dependents. This policy will be consistent with the terms of the 1997 agreement between the City of Phoenix and CIGNA Group Insurance, for the payment of a supplementary commutation life insurance policy for each unit member. The Union will pay the cost of this benefit, if any, the first year of each new MOU period.

Section 5-4. Long Term Disability Insurance

Pursuant to A.R. 2.323, the City will **offer a long term disability benefit** for all **regular** full-time unit members. **The City may revise the A.R.**, provided, however, **that such revisions** shall not conflict with the express provisions of the MOU.

Employees who have been continuously employed and working on a full-time basis for twelve consecutive months are eligible for long term disability coverage. After an established ninety (90) calendar day qualifying period, the plan will provide up to sixty-six and two-thirds percent (66-2/3%) of the employee's basic monthly salary at the time disability occurs and continue up to age **seventy-five (75) for employees who have been employed full-time for 36 months and one day.** This benefit will be coordinated with leave payments, industrial insurance payments, unemployment compensation, social security benefits and disability provisions of the retirement plan.

Employees who have been employed full-time with the City of Phoenix for 36 months or less, will be eligible to receive a long term disability benefit for no more than thirty (30) months.

Section 5-5. Holidays and Vacation Pay

A. The City agrees to incorporate into the MOU the benefits provided under A.R. 2.11 modified to indicate the following holidays.

Employees, except those on hourly paid status, shall, when possible without disrupting the various municipal services, be allowed the paid holidays listed below:

New Year's Day	January 1
Martin Luther King's Birthday	January, Third Monday
President's Day	February, Third Monday
Cesar Chavez Birthday	March 31

Memorial Day	May, Last Monday
Independence Day	July 4
Labor Day	September, First Monday
Veteran's Day	November 11
Thanksgiving Day	November, Fourth Thursday
Friday after Thanksgiving Day	Friday after Thanksgiving
Christmas Eve	Four (4) hours on December 24
Christmas Day	December 25
Two Personal Leave Days	After completion of six months of full-time employment.

When a holiday named in this regulation falls on Sunday, it shall be observed on the following Monday. When a holiday named in this regulation falls on Saturday, it shall be observed on the preceding Friday except that **in the case of six (6) day operations such holidays may be observed on Saturday.** This paragraph shall not apply to Christmas Eve, which shall only be granted when it falls on the employees' regular scheduled workday. In the case of continuous twenty-four (24) hour, seven (7) day operations and seven (7) day non-continuous operations, holidays shall be observed only on the calendar days on which they actually fall.

The Personal Leave Days are added to an employee's vacation leave bank and may be taken on any day of the employee's choosing after completion of six months of full-time employment, subject to operational and scheduling factors and the limitations of A.R. 2.11. This time does not alter the maximum carryover of vacation hours outlined in A.R. 2.18.

If a full-time unit member's regularly scheduled day off falls on a holiday to which he is entitled under this Article, first (1st) consideration shall be given to allowing three (3) consecutive days off, but if this is not feasible, a substitute day off of eight (8) hours with pay shall be given at straight time on a day designated by the Department Head. Unit members who work a 4/10 schedule, whose regularly scheduled day off falls on one of the holidays listed in paragraph C of this Article, shall receive ten (10) hours of compensatory time. An employee shall not be paid in cash in lieu of a substitute holiday except that in extraordinary circumstances the City Manager's office may approve payment in cash at a straight-time rate. The substitute holiday shall not be granted when an employee is on paid industrial leave.

A unit member whose regular scheduled day-off falls on a holiday specified in this Article, and who is called in to work a regular shift on such holiday and scheduled day off, shall be compensated at time and one-half (1-1/2) the regular rate for each hour assigned and worked in addition to the substitute holiday provided above.

B. Vacation Accumulation

Vacation accrual and carryover shall be governed according to the following table:

<u>SERVICE</u>	<u>MONTHLY ACCRUAL</u>	<u>MAXIMUM CARRYOVER</u>
0-5 years	8 hours	192 hours
6-10 years	10 hours	240 hours
11-15 years	11 hours	264 hours
16-20 years	13 hours	312 hours
21+ years	15 hours	360 hours

C. The parties agree that on the following specified holidays, unit members whose regularly assigned work week consists of four (4) ten-hour (10) shifts, shall not be required to submit documentation for two (2) hours of paid leave:

- | | |
|------------------------------|---------------------------|
| 1. Memorial Day | May, Last Monday |
| 2. Independence Day | July 4 |
| 3. Labor Day | September, First Monday |
| 4. Veterans Day | November 11 |
| 5. Thanksgiving Day | November, Fourth Thursday |
| 6. Friday after Thanksgiving | |
| 7. Christmas Day | December 25 |

Unit members shall be allowed a vacation buyout twice per calendar year, by notifying the Department head in writing of such intent during the month of either October or April, to be paid on the last paycheck of November and May. The total annual buyout is up to a maximum of eighty (80) hours taken in no more than forty (40) hour increments, after the employee has accumulated a minimum of one-hundred seventy-five (175) hours and has used forty (40) hours of vacation/comp-time during the calendar year.

D. Parental/Family Leave

The City will, as a matter of general policy, and subject to operational needs, authorize up to three (3) months of unpaid leave for an employee who is the parent of a newly born or legally adopted child or any Unit member who needs to care for an ill family member. Family members include spouse, children (natural, adopted, foster, or stepchildren), brother, sister, parents, grandparents, as well as others living in the same household with the employee. Approval and use of this leave shall be subject to existing Personnel Rules.

E. An employee may use up to ten (10) hours of accumulated sick leave in at least one-hour increments each calendar year for the home care or medical treatment for an immediate family member residing in the employee’s household. This will be marked as “BO” on leave slips. When there is an extreme illness or injury situation where a life or death question

exists involving an immediate family member, an employee may use up to five (5) days of accumulated sick leave. (This should not be construed as bereavement leave under Personnel Rule 15g). This will be marked as “BN” on leave slips.

In addition, employees may have dependent care situations where the above leave is insufficient to cover their absence. Therefore, employees will be allowed to use unscheduled accumulated vacation or compensatory time for the care of an immediate family member up to a maximum of five (5) incidents not to exceed a total of forty (40) hours each calendar year.

For all the above mentioned leaves, (sick leave, vacation, and compensatory leave) the employee will not have these leaves be considered a negative factor, when evaluating the job performance of an employee involved in a leave management program, up to a maximum total of seven (7) incidents per calendar year. An incident is defined as an absence from work, regardless of the length of time.

An immediate family member is defined as the employee’s spouse, qualified domestic partner, mother, father or child. A child is defined as a biological, adopted, foster or stepchild, legal ward, or a child of a person standing in place of a parent. A brother, sister, grandparent, or in-law who is living with the employee under his/her care is also defined as an immediate family member.

- F. Unit members may contribute accrued vacation or compensatory time to other employees in accordance with City policy governing contribution of leave for serious illness or injury of an employee or their immediate family member. An immediate family member is defined as the employee’s spouse, qualified domestic partner, mother, father, or child. A child is defined as a biological, adopted, foster or stepchild, legal ward, or a child of a person standing in place of a parent. A brother, sister, grandparent, or in-law who is living with the employee under his/her care is also defined as an immediate family member. Requests to receive such leave contributions will require a completed doctor’s certification.

ARTICLE 6: MISCELLANEOUS

Section 6-1. Saving Clause

If any article or section of this MOU should be held invalid by operations of law or by a final judgment of any tribunal of competent jurisdiction, or if compliance with or enforcement of any article or section should be restrained by such tribunal, the remainder of this MOU shall not be affected thereby.

Section 6-2. Copies of MOU

- A.** Within sixty (60) days after this MOU is adopted by the City Council, the Union will arrange for printing of jointly approved copies of it for furnishing one to every unit member, unit supervisor and to management personnel. The costs of such duplication and distribution will be borne equally by the Union and the City.
- B.** Printing vendors secured by the Union shall comply with Chapter 18, Articles IV (City Construction Contractors' Affirmative Action Requirements) and V (Supplier's and Lessee's Affirmative Action Requirements), Phoenix City Code.

Section 6-3. Aid to Construction of Provisions of MOU

- A.** The provisions of this MOU shall be in harmony with the rights, duties, obligations and responsibilities which by law devolve upon the City Council, City Manager, and other City boards and officials, and these provisions shall be interpreted and applied in such manner.
- B.** The lawful provisions of this MOU are binding upon the parties for the term thereof, it being understood that the Union is precluded from initiating any further meeting and conferring for the term thereof relative to matters under the control of the City Council or the City Manager.

Section 6-4. Part-Time Employees

Hourly paid unit members, excluding seasonal and temporary employees, who have worked a minimum of fifty (50) hours in each pay period for twenty-six (26) consecutive weeks shall be entitled to the same benefits for authorized work on holidays as received by regular full-time unit members. In addition, such employees shall receive vacation credits prorated for the number of hours worked after the qualifying period is satisfied. Vacation credits shall be calculated and paid in cash in December and June. These hourly-paid employees shall be considered for advancement from Pay Step 1 to Pay Step 2 after completing one-thousand forty (1,040) hours of work in Step 1 and for advancement from Pay Step 2 to Pay Step 3 after working two-thousand-eighty (2,080) hours in Pay Step 2.

Employees who completed the twenty-six (26) weeks qualifying period shall be eligible for participation in the City's Health, Life, and Dental insurance programs. The City's premium participation will be the same as that provided for full-time employees. Continuation of participation under these plans will be determined on November 1, February 1, and May 1. If the employee has worked a minimum of fifty (50) hours in each pay period in July, August, and

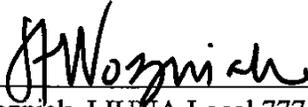
September, his/her participation shall continue for the period November through January. A similar review and qualification will be required for October, November and December; January, February and March; and April, May and June. If the employee separates from City employment, the participation will cease.

Part-time employees are allowed an hours reduction of up to two (2) weeks in one pay period in the twenty-six (26) week qualifying period and each period thereafter, without impacting their eligibility to participate in the part-time employees' benefit programs.

Section 6-5. Term and Effect of MOU

- A.** This MOU shall remain in full force and effect commencing with the beginning of the first regular pay period in July **2012**, up to the beginning of the first regular pay period July **2014**. **In compliance with the Meet and Confer Ordinance (Phoenix City Code Chapter 2, Article XVII, Division 1) as may be amended, on or before December 1, 2013, LIUNA 777 shall submit its proposed memorandum of understanding for the next contract period.**
- B.** Except as expressly provided in this MOU, the City shall not be required to meet and confer concerning any matter, whether covered or not covered herein, during the term or extensions thereof.
- C.** The provisions of this MOU shall be subject to Federal, State and local law that vests jurisdiction and authority in other public boards and officials, including the City Council, Phoenix Employment Relations Board, Phoenix Civil Service Board, City Manager and Department Managers, or determines issues contrary to the provisions hereof.
- D.** This MOU constitutes the total and entire agreements between the parties and no verbal statement shall supersede any of its provisions.

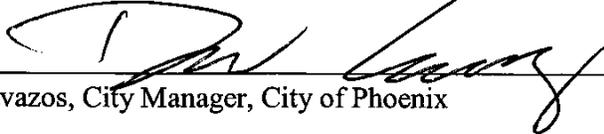
IN WITNESS WHEREOF, the parties have set their hands this
25th day of April, 2012



Jennifer Wozniak, LIUNA Local 777 Representative

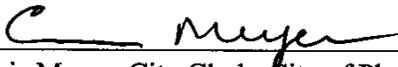


Kathleen Haggerty, Deputy Human Resources Director, City of Phoenix



David Cavazos, City Manager, City of Phoenix

ATTEST:



Cris Meyer, City Clerk, City of Phoenix



APPROVED TO FORM:



ACTING City Attorney, City of Phoenix

LIUNA Local 777 Team:

Bill Higgins, Chapter Business Agent
Paul Bechely, LIUNA Rep
Jennifer Wozniak, LIUNA Rep
Richard Murillo, Parks & Rec
John Heredia, Public Works
Robert Donahue, Public Works
Frankie Hernandez, Parks & Rec
Joe Mendez, Parks & Rec
Rufino Uribe, Public Works
Jim Hardy, Parks & Rec
Joe Medina, Parks & Rec
Connie Cordova, Public Transit

City of Phoenix Team:

Kathleen Haggerty, Deputy HR Director
Ken Vonderscher, Parks & Rec
Tony Miano, Public Works
Jenny Grote, Street Transportation
Corina Madruga, Parks & Rec
Erin Bobo, Public Works

Attachment A

Unit 1 Required Stability Indicators to Achieve Concession Restoration in 2013-14

In 2013-14, the remainder of the 2010-2012 3.2% compensation concession level not restored in 2012-13 will be restored, if all six indicators below are met. For Unit 1, this includes restoration of 2.4% deferred compensation.

1. Additional direct services are provided to the community in the 2013-14 General Fund (GF) Budget equal the same dollar amount, or higher, as General Fund direct services to the community, as recommended in the 2012-13 Trial Budget.
2. City maintains its AAA bond rating.
3. Actual 2012-13 GF revenue collections equal at least the amount in the adopted 2012-13 GF Budget.
 - a. If the City Council takes any action subsequent to the adoption of the 2012-13 Budget that negatively affects revenue collected in 2012-13, then for purposes of this section, the corresponding amount of decreased revenue will be subtracted from the 2012-13 GF budgeted revenue.
4. No direct service reductions are necessary to close a budget shortfall for 2013-14 GF budget.
5. No cuts to state-shared GF revenue formulas.
6. *City achieves \$5 million or more in additional innovation & efficiency (I & E) cost savings in 2012-13.

*The matrix below will be followed if indicators 1-5 are achieved, but indicator 6 is not fully realized:

Indicators Achieved in Addition to Achievement of Indicators 1-5	Restoration Level
2012-13 additional I & E cost savings is \$4 million or more but less than \$5 million.	Restoration of 2.0% deferred compensation
2012-13 additional I & E cost savings is \$2.5 million or more but less than \$4 million.	Restoration of 1.5% deferred compensation
2012-13 additional I & E cost savings is \$1 million or more but less than \$2.5 million.	Restoration of 1.0% deferred compensation

The amount of restoration available will be reduced by the total compensation value to the unit of any increase in 2013-14 city health insurance premiums over 3%.

Required Stability Indicators for wage increase:

Beyond full restoration of the 2010-2012 3.2% compensation concession level, the achievement of the indicators below are necessary for any wage increase in 2013-14. The matrix below will be used to determine the level of wage increase in 2013-14:

Indicators Achieved	Wage Increase
<ul style="list-style-type: none"> • All indicators necessary to attain full compensation restoration are achieved. • Growth in actual 2012-13 GF revenue over the actual 2011-12 GF revenue is between 6.0% and 8.0%. 	<p>0.2% wage increase</p>
<ul style="list-style-type: none"> • All indicators above are achieved. • 2012 Community Attitude Survey results show Phoenix residents' <u>overall satisfaction with City performance</u> does not decrease by a statistically significant amount as compared to 2010 results. • Growth in actual 2012-13 GF revenue over the actual 2011-12 GF revenue is above 8.0% and less than 9.0%. 	<p>One-quarter of the percentage increase for the 2012 annual Western Region Consumer Price Index¹ as provided by the US Department of Labor- Bureau of Labor Statistics, up to a maximum 2.5% wage increase</p>
<ul style="list-style-type: none"> • All indicators above are achieved. • Growth in actual 2012-13 GF revenue over the actual 2011-12 GF revenue is 9.0% or above. 	<p>One-half of the percentage increase for the 2012 annual Western Region Consumer Price Index¹ as provided by the US Department of Labor- Bureau of Labor Statistics, up to a maximum 2.5% wage increase</p>

¹The 2011 annual increase to the Western Region Consumer Price Index as provided by the US Department of Labor- Bureau of Labor Statistics was 2.8%.