



MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN
CITY OF SHELTON
AND
WOODWORKERS LOCAL LODGE W-38
INTERNATIONAL ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS REPRESENTING THE
CUSTOMER SERVICE REPRESENTATIVE EMPLOYEES
OF THE CITY OF SHELTON, WASHINGTON

This is a Memorandum of Understanding (MOU) is between Customer Service union employees (Union) and the City of Shelton (City) relating to requirements stated in the Union Collective Bargaining Agreement articles as identified below.

- All members agree to automatic payroll deposit as soon as it becomes available in 2017. – Article 15
- The position of Administrative Support Assistant shall become a member of the Customer Service union. – Article 2
- An employee whose normal schedule is less than 60 hours per month shall be excused from union participation. When the “normal” schedule reaches more than 60 hours, the City agrees to notify the Union and guarantee participation. – Article 1
- All full time employees and their enrolled dependents shall continue to have a choice between two Association of Washington Cities health care plans: (1) Health First or (2) Group Health Co-Pay Plan 2. The Employer shall contribute a flat rate of up to One Thousand Four Hundred and Twenty-Five Dollars (\$1,425.00) per month towards the cost of medical insurance. – Article 19
- Effective January 1, 2017, all positions within the Customer Service union shall receive a one percent (1%) increase in the rate of pay; recognized as a Cost of Living Adjustment (COLA). – Article 22

- Effective January 1, 2017, all positions within the Customer Service union, (with the exception of the Police Department Records/Evidence Clerks) shall receive a three percent (3%) increase in rate of pay; recognized as a Salary Adjustment. – Article 22
- Effective January 1, 2017, The Police Department Records/Evidence Clerk positions shall receive a five percent (5%) increase in rate of pay; recognized as a Salary Adjustment. – Article 22
- The Union and City agree to the creation of a Labor/Management group for the year 2017 consisting of representatives from all unions and non-represented staff to research and develop a proposal for Commission consideration of health coverage for the year 2018 and beyond.

All other provisions of the current agreement dated January 1, 2014 through December 31, 2016* which are not in conflict with, or specifically modified by this Memorandum of Understanding shall remain and extend for a period of one year, hereby expiring December 31, 2017.

Agreed, this 17 day of JANUARY 2017, by and between:

CITY OF SHELTON

CUSTOMER SERVICE

Vicki Look 1/30/2017
 Vicki Look, Assistant City Manager

[Signature]
 Union Representative

(*one year contract extension completed in December, 2016)

AGREEMENT

BETWEEN THE

CITY OF SHELTON

AND

INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS
IAMAW WOODWORKERS LOCAL LODGE W-38

(Representing the Customer Service Representatives)

January 1, 2013 – December 31, 2015

TABLE OF CONTENTS

ARTICLE 1	PREAMBLE.....	3
ARTICLE 2	RECOGNITION	3
ARTICLE 3	UNION SECURITY	4
ARTICLE 4	UNION REPRESENTATIVES	4
ARTICLE 5	MANAGEMENT RIGHTS	5
ARTICLE 6	HOURS OF WORK/OVERTIME	5
ARTICLE 7	VACATION.....	6
ARTICLE 8	SICK LEAVE	7
ARTICLE 9	BEREAVEMENT LEAVE	8
ARTICLE 10	FAMILY/MEDICAL LEAVE.....	9
ARTICLE 11	HOLIDAYS	10
ARTICLE 12	NOTICE OF DISCIPLINE AND DISCHARGE	11
ARTICLE 13	GRIEVANCE	11 & 12
ARTICLE 14	INSURANCE BENEFITS	13
ARTICLE 15	WAGES AND LONGEVITY	14
ARTICLE 16	DEFERRED COMPENSATION MATCH	15
ARTICLE 17	SAVINGS CLAUSE.....	15
ARTICLE 18	ENTIRE AGREEMENT	15
ARTICLE 19	CONTRACTING/SUBCONTRACTING	16
ARTICLE 20	NO STRIKE, NO LOCKOUT	16
ARTICLE 21	SENIORITY	17
ARTICLE 22	EMERGENCY COOPERATION.....	17
ARTICLE 23	LIFE OF AGREEMENT.....	18

AGREEMENT
BY AND BETWEEN
CITY OF SHELTON, WASHINGTON
AND
INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS
IAMAW WOODWORKERS LOCAL LODGE W-38

(Representing the Customer Service Representatives)

ARTICLE 1 PREAMBLE

- 1.1 This Agreement is made and entered into by and between the City of Shelton, hereinafter known as the "City" and the International Association of Machinists and Aerospace Workers, IAMAW Woodworkers Local Lodge W-38, hereinafter known as the "Union."
- 1.2
- 1.3 It is the purpose of this Agreement to achieve and maintain harmonious relations between the City and the Union, to provide for equitable and peaceful adjustments of differences which may arise, and to establish proper standards of wages, hours and other conditions of employment.
- 1.4 The members of the Union are to regard themselves as public employees and are to be governed by the highest ideals of honor and integrity in order that they may merit the respect and confidence of the general public.

ARTICLE 2 RECOGNITION

- 2.1 The City recognizes the Union as the sole and exclusive bargaining representative for the purposes of establishing wages, hours, and working conditions for all regular full-time and regular part-time clerical employees of the City of Shelton, excluding supervisors, professionals, confidential employees, temporary employees, and all employees covered by another collective bargaining agreement.
- 2.2 If a temporary position is filled for more than 120 days and the Union believes that the position should be recognized for inclusion in the bargaining unit, the Union shall notify the City in writing of the reason(s) for including the position in the bargaining unit. Within ten (10) business days of receipt of such notice, the City and the Union agree to meet to discuss inclusion and to attempt to resolve the matter between the parties. If resolution is not achieved at this meeting, the parties agree to refer the matter to PERC for final resolution.

ARTICLE 3 UNION SECURITY

- 3.1 UNION MEMBERSHIP – All non-temporary bargaining unit employees must, within thirty (30) days after the date of employment, become and remain members of the Union in good standing. "Good standing" shall be defined as the act of tendering initiation fees and monthly dues uniformly required of membership in a timely basis.
- 3.2 ENFORCEMENT – The Union agrees that the City shall not terminate the employment of any employee under this provision until written notification is received from the Union that the employee has failed to pay the required dues or provided proof of an alternative payment based on religious tenets as provided below and that the employee has exhausted all appeals.
- 3.3 RELIGIOUS TEACHINGS EXCLUSION – In the event an employee objects to Union membership based upon bona fide religious tenets or teachings of a church or religious body, as provided under RCW 41.56.122, such employee may pay an amount of money equivalent to the Union's uniform monthly dues to a non-religious charity or to another charitable organization mutually agreed upon by the employee and the Union.
- 3.4 PAYROLL DEDUCTION – Upon receipt of written authorization of an employee, the City will deduct from the pay of said employee the initiation fee and monthly dues in such amounts as may be fixed, from time to time, by Local Lodge W-38. This dues deduction authorization cannot be revoked until the termination of the Agreement or until the expiration of one (1) year from the date of this authorization, whichever occurs first.
- 3.5 CITY INDEMNIFICATION – The Union shall defend, indemnify, and save the City harmless against any and all claims, demands, suits, grievances, or other liability that arise out of or by reason of actions taken or not taken by the City pursuant to this article.

ARTICLE 4 UNION REPRESENTATIVES

- 4.1 Not more than two (2) employees may attend labor negotiations without suffering loss of pay or leave time.
- 4.2 UNION NOTICES - A bulletin board shall be provided for the Union notices. The Union shall keep the board in good order. The Union shall hold the City harmless for any loss resulting from anything on the bulletin board.

ARTICLE 5 MANAGEMENT RIGHTS

- 5.1 The Union recognizes the prerogative of the City to manage and administer the City and its departments. The city has – whether exercised or not – all of the rights, powers and authority heretofore existing, including, but not limited to the following: to determine the standard(s) of services offered; to determine the standards and methods of selection, promotion and transfer of employment; to direct its employees; to take disciplinary action; to determine the methods, tools, and standards of assessing and/or evaluating employee performance; to relieve its employees from duty because of lack of work or other reason(s); to issue and endorse rules and regulations; to maintain and improve the efficiency of operations; to contract for goods and services; to terminate services rendered or supplied, including the right to determine whether goods or services are made or purchased; to determine the methods, means, staffing level, and personnel to conduct operations; to determine the amount and method of training and supervision necessary; to determine job classifications of City positions; to determine the work schedules of its employees; to assign overtime; and to fulfill all of its legal responsibilities.
- 5.2 The enumeration of management prerogatives shall not be deemed to exclude other management prerogatives not specifically enumerated.
- 5.3 The exercise of the foregoing rights and authority, the adoption of policies, rules, regulations and practices in furtherance thereof, and the exercise of managerial judgment and discretion in connection therewith shall be limited only by the specific and express terms of this Agreement and then only to the extent that such specified and express terms hereof are in conformance with the federal, state and local law.
- 5.4 The exercise of the foregoing rights and authority, the adoption of policies, rules, regulations and practices in furtherance thereof, and the exercise of managerial judgment and discretion in connection therewith shall not in any way, directly or indirectly be subject to the grievance procedure set forth herein.

ARTICLE 6 HOURS OF WORK/OVERTIME

- 6.1 WORK WEEK – For most bargaining unit positions, the work schedule shall generally consist of five eight hour days commencing Monday and ending on Friday. All scheduled workweeks shall include a minimum of two consecutive days off. At the direction of the director of the department an alternate work schedule may be established as appropriate to the needs of the City. When possible the City will provide advance notice to the employee of any changes in the work schedule.
- 6.2 OVERTIME – Management has the right to assign and require overtime work. All work performed in excess of forty (40) hours per week shall be paid at the overtime rate of one and one-half (1.5) times the regular rate of pay, which shall not include any premiums, in accordance with the Fair Labor Standards Act. Paid leave shall be considered hours worked for overtime purposes in accordance with the personnel policy covering overtime.

-
- 6.3 COMPENSATORY TIME – Overtime pay may be waived when an overtime eligible employee makes a written request to accrue compensatory time off in lieu of overtime pay and the supervisor approves the request. The decision to grant or deny compensatory time accrual is left to the sole discretion of management. Compensatory time off shall be earned at the same rate as overtime in accordance with the Fair Labor Standards Act. Employees shall be allowed to use their accrued compensatory time off upon reasonable notice and consistent with the City’s reasonable operating needs through mutual agreement with their supervisor. Management may direct employees to use accrued compensatory time. Employees terminating their service with the City shall be paid for all accrued compensatory time as shown due the employee on the City’s records. In no case will an employee be allowed to accumulate compensatory time in excess of eighty (80) hours.
- 6.4 CALL BACK – Any Union member shall be given a minimum of two (2) hours overtime when called back to work. Callback time is defined as follows – when a Union member has completed his or her regular shift or period of work and has left the place of work and is requested to come back to the place of work. Any scheduling arrangements made prior to leaving the place of work are not considered callback time.

ARTICLE 7 VACATION

7.1 RATE OF ACCRUAL – All full-time employees shall accrue vacation leave as follows:

Years of service:	Hours per month:
0-5 years	6.67 hours
5-10 years	10 hours
10-15 years	13.33 hours
15-20 years	16.67 hours
20+ years	20 hours

- 7.1.1 Employees who work less than full time or less than a full month shall accrue leave on a prorated basis according to the schedule above and hours in pay status. Accrued leave shall be posted on a monthly basis and shall be available for use when posted.
- 7.1.2 In determining years of service for the purpose of computing vacation leave, all continuous service with the City of Shelton is included.
- 7.1.3 Vacation shall not accrue during any monthly pay period when the employee is on leave without pay for more than half of the scheduled work days.

-
- 7.2 ACCRUAL "CAP" – Accrual of vacation time shall be "capped" when an employee's vacation time balance equals two (2) times their annual vacation accrual. Until the balance is reduced, all or part of the monthly accrual(s) shall be forfeited by the employee. Once the balance is reduced below the cap, accrual will resume until such time as the cap is reached again. It is the employee's sole responsibility to monitor his or her vacation balance and to reasonably request and schedule leave to assure that his or her leave balance is maintained below the cap.
- 7.3 CHANGES OF ACCRUAL RATE – All accrual rate changes shall become effective the first day of the pay period following the pay period in which the employee completes the service requirement and becomes eligible for the higher accrual rate.
- 7.4 UTILIZATION – Employees are encouraged to use available paid vacation time for rest, relaxation, and personal pursuits. Vacation time usage requires the prior approval of the supervisor.
- 7.5 SEPARATION – Employees who separate from City employment for any reason including layoff shall be paid for unused vacation time (up to a maximum of 480 hours). Employees who are on leave of any kind and subsequently give notice of resignation or fail to return to work will be considered to have separated on the last day worked – no additional leave will accrue after the last day worked.

ARTICLE 8 SICK LEAVE

- 8.1 RATE OF ACCRUAL – All full-time employees shall accrue sick leave at the rate of eight (8) hours per month. Accrued leave shall be posted on a monthly basis and shall be available for use when posted.
- 8.1.1 Employees who work less than full time or less than a full month shall accrue sick leave on a prorated basis.
- 8.1.2 Sick leave shall not accrue during any monthly pay period when the employee is on leave without pay for more than half of the scheduled work days.
- 8.2 ACCRUAL "CAP" – Accrual of sick leave shall be "capped" when an employee's sick leave balance equals 960 hours. Until the balance is reduced, all or part of the monthly accrual(s) shall be forfeited by the employee. Once the balance is reduced below the cap, accrual will resume until such time as the cap is reached again.
- 8.3 UTILIZATION – Sick leave benefits are intended to provide income protection in the event of illness or injury. Sick leave may be granted by the (non-bargaining-unit) supervisor in the following instances:

-
- 8.3.1 At the discretion of the supervisor, an employee may be granted sick leave for a medical or dental appointment or illness or injury of the employee. When the supervisor has cause to believe leave is being abused the employee may be required to furnish a written report from a physician substantiating the need for sick leave. Failure to furnish such report upon request may result in disciplinary action, up to and including termination.
- 8.3.2 At the discretion of the supervisor, an employee may be granted sick leave for a medical or dental appointment or illness or injury within the employee's immediate family which requires the attendance of the employee or where the employee's presence on the job could jeopardize the health of fellow employees. Under these conditions, with the consent of the employee's supervisor, the employee may use sick leave with pay the same as if the employee were personally in need of sick leave; however, such leave may not be granted unless the supervisor is satisfied that the absence of the employee is required to attend to the immediate family member with the medical appointment, illness or disability. When the supervisor has cause to believe leave is being abused the employee may be required to furnish a written report from a physician substantiating that the employee is required to be in attendance.
- 8.3.3 Regardless of the reason for use, it shall be the responsibility of the employee to notify his or her supervisor before the scheduled start of the workday whenever possible. The direct supervisor must also be contacted on each additional day of absence unless the employee is instructed otherwise.
- 8.4 SICK LEAVE BUY-BACK – Employees who have accrued a balance of a minimum of 480 hours of sick leave may elect annually to redeem sick leave hours accumulated during the working year at the rate of \$100.00 per day to a maximum annual buy-back of \$1,200.00. This redemption shall be paid with the December paycheck.
- 8.5 SEPARATION – Employees who separate from City employment voluntarily or because of layoff shall be paid for unused sick leave in excess of 480 hours to the maximum accrual of 960 hours at the rate of one hundred dollars (\$100.00) per day.
- 8.6 DEFINITION OF IMMEDIATE FAMILY – Immediate family is defined as set forth in the City's Personnel Policy and Procedure Manual.

ARTICLE 9 BEREAVEMENT LEAVE

- 9.1 Upon the death of a member of the immediate family of an employee, the employee may use no more than five (5) working days of accrued sick leave with pay for purposes of bereavement leave. Under extenuating circumstances, a supervisor may, at his/her discretion, approve the use of additional days of accrued sick leave for this purpose.
- 9.2 Immediate family is defined as set forth in the City's Personnel Policy and Procedure Manual

ARTICLE 10 FAMILY/MEDICAL LEAVE

- 10.1 DEFINITION OF FAMILY/MEDICAL LEAVE – Subject to the definitions and requirements provided in state and federal law as currently written or hereafter amended regarding family/medical leave, an eligible employee may be granted up to twelve (12) work weeks of family or medical leave during any rolling 24-month period for one or more of the following events:
- the birth and first-year care of a child;
 - the placement of a child for adoption or foster care in the employee's home;
 - the care of the employee's spouse, child or parent with a serious health condition;
 - or the employee's own serious health condition which renders him/her unable to perform the functions of his/her position.
- 10.2 NOTICE REQUIREMENTS – The employee must request leave by contacting the supervisor thirty (30) days in advance when the leave is foreseeable. If the leave was not foreseeable, the employee must provide as much notice as practicable.
- 10.3 DETERMINATIONS – Whether or not an employee requests family/medical leave, the City may determine that an employee's leave qualifies as family/medical leave and designate the leave as such. Employees may be required to provide a physician's certification on a form provided by the City. The City may request an objective medical examination to verify the need for leave and to determine whether the leave qualifies as family/medical leave.
- 10.4 SUBSTITUTION OF PAID LEAVE – The City requires the employee to substitute accrued paid leave (sick leave, vacation leave, compensatory time) for unpaid FMLA leave.
- 10.5 ADJUSTMENT OF ANNIVERSARY DATE – An employee on family/medical leave will have his/her anniversary date adjusted accordingly for each (30) calendar days of unpaid leave.
- 10.6 CONTINUATION OF GROUP MEDICAL INSURANCE – The employee may elect to continue group medical insurance during the period of such leave, but must repay the employer's portion of premium expenses if he or she fails to return to City employment after taking family/medical leave.
- 10.7 RIGHT TO RETURN TO SAME OR EQUIVALENT POSITION – Employees on approved family/medical leave are entitled to return to the same or equivalent position upon completion of the leave.

ARTICLE 11 HOLIDAYS

11.1 List – All employees shall be entitled to the holidays listed below:

<u>Holiday</u>	<u>Date to be Observed</u>
New Year's Day	January 1
Martin Luther King Birthday	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving	Day Following Thanksgiving
Christmas	December 25
Two Floating Holidays	At Employee's Choice

11.2 OBSERVANCE – The City may designate another day of observance when a designated holiday falls on a Saturday or Sunday.

11.2.1 Normally, only those bargaining unit members designated in advance by appropriate supervision will be required to work on a designated holiday. An employee who is required to work on a holiday shall have the option to be paid at the rate of one-and-one-half the regular rate of pay for all hours worked in addition to regular pay or to be given time off (compensatory time) at the time-and-one-half rate in lieu of overtime pay. If the employee elects time off it shall be taken at a time mutually agreed upon by employee and the supervisor.

11.3 FLOATING HOLIDAYS – The two floating holidays (16 hours total for full-time employees) may be used pursuant to all of the following guidelines:

11.3.1 The employee has been employed for a minimum of six months; and

11.3.2 The request does not unduly disrupt service to the public and has received prior approval.

11.3.3 Employees who work less than a full-time schedule shall have their two floating holidays prorated based on their regular work schedule.

11.3.4 Floating holidays must be taken during the calendar year or the days will be forfeited. Exceptions to this "use it or lose it" provision may only be granted by the City Administrator and only when the employee can show that management has unduly denied the employee an opportunity to schedule and use his or her floating holiday(s).

ARTICLE 12 NOTICE OF DISCIPLINE AND DISCHARGE

- 12.1 JUST CAUSE – The City may discipline and discharge employees for just cause.
- 12.2 NOTICE – The City shall notify the bargaining unit member of any punitive disciplinary action concurrent with commencement of the action.
- 12.2.1 With the exception of instances of egregious misconduct, the City agrees that all non-probationary employees shall be given two (2) weeks notice or two (2) weeks pay prior to discharge.
- 12.3 PROGRESSIVE DISCIPLINE – The City agrees that, with the exception of instances of serious misconduct, discipline will generally proceed from less severe to more severe (for example: oral warning - written warning - suspension - termination). However, the City retains the sole right to determine what level and type of discipline should be imposed.
- 12.4 TERMINATION – Non-probationary employees shall be notified in writing of the reason(s) for discharge at the time of or prior to separation. The Union shall be furnished with a copy of the reasons for discharge concurrent with commencement of the action.
- 12.5 PROBATIONARY EMPLOYEES – The City may separate probationary employees with or without cause.

ARTICLE 13 GRIEVANCE

- 13.1 PROCEDURE – A grievance shall be any disagreement as to the interpretation or application of a specific provision of this Agreement. No grievance shall be entertained or processed unless it is submitted within ten (10) business days after the occurrence of the event giving rise to the grievance or within ten (10) business days after the employee or the Union has or should have obtained knowledge of the occurrence of the event giving rise to the grievance. In no case will the City entertain a grievance unless it is submitted within sixty (60) calendar days of the occurrence of the event giving rise to the grievance regardless of any claims of knowledge or notice. Verbal warnings or verbal reprimands may not be grieved.
- 13.2 STEP ONE – The employee or their steward shall bring the grievance to the attention of the (non-bargaining unit) supervisor. The grievance must be submitted in writing and must specify the specific provision(s) of this Agreement believed to have been violated, the manner in which the violation is alleged to have occurred, the names of any relevant witnesses, and the remedy requested. The supervisor will investigate the grievance and attempt to effectuate an equitable solution.

-
- 13.3 STEP TWO – If an equitable solution is not reached at the expiration of ten (10) business days, the grievant may appeal the matter to the director of the appropriate department. The Step Two grievance must be submitted in writing and must specify the specific provision(s) of this agreement believed to have been violated, the manner in which the violation is alleged to have occurred, the names of any relevant witnesses, and the remedy requested. The department head or his/her designee will investigate the grievance and reply in writing within ten (10) business days.
- 13.4 STEP THREE – If the director of the department's response does not satisfy the grievant, the matter may be appealed within ten (10) business days of receipt of the director's written response to the City Administrator. The Step Three grievance must be submitted in writing and must specify the specific provision(s) of this Agreement believed to have been violated, the manner in which the violation is alleged to have occurred, the names of any relevant witnesses, and the remedy requested. The City Administrator or his/her designee will investigate the grievance and reply in writing within fifteen (15) business days.
- 13.5 STEP FOUR – If the City Administrator's response does not satisfy the Union, the Union may request arbitration. The request for arbitration must be submitted to the City Administrator within ten (10) business days of receipt of the Step Three response. The Union's request for arbitration must be submitted in writing and must specify the specific provision(s) of this agreement believed to have been violated, the manner in which the violation is alleged to have occurred, and the remedy requested. Within ten (10) business days of notice to the City Administrator, the Union must submit a request to the Public Employment Relations Commission (PERC) to certify a panel of at least nine (9) arbitrators. Alternatively, before the ten (10) business day period has expired, the Union and the City may mutually agree upon an arbitrator. If a PERC panel is used, after flipping a coin to determine which party goes first, the parties shall alternately eliminate the name of one person on the list until only one name remains. The person whose name was not eliminated shall be the arbitrator, and arbitration shall commence on a mutually acceptable date.
- 13.6 AUTHORITY OF THE ARBITRATOR – Questions of arbitrability shall be decided by the arbitrator. Only after a decision is made that the matter is procedurally arbitrable or that such preliminary determination cannot reasonably be made, the arbitrator shall proceed to hear the merits of the dispute. The arbitrator shall have no authority to rule contrary to, amend, modify, nullify, add to, or subtract from the provisions of this Agreement. The arbitrator shall have no authority to amend or modify a penalty or other management action except by finding a contractual violation. The arbitrator shall hold a hearing so that both parties may present their respective cases. The decision of the arbitrator shall be rendered within thirty (30) calendar days after the close of the hearing. The decision of the arbitrator shall be final and binding upon the parties to the grievance provided the decision does not involve action by the City which is beyond its jurisdiction.

-
- 13.7 COSTS AND EXPENSES – Expenses incident to the services of the arbitrator shall be borne equally by the parties regardless of the decision of the arbitrator. Each party shall be responsible for compensation of its own representatives, attorneys and witnesses, and purchasing its own copy of any written transcript.
- 13.8 TIME LIMITS – Time limits referred to in the Article may be waived by mutual written agreement. It is the intent of the parties that all procedures set forth herein shall be complied with as expeditiously as practicable.
- 13.9 In the case of disciplinary actions, both appealable to the Civil Service Commission and grievable under the terms of this contract, a written election of remedies shall be made after receipt of the Step 3 response. An employee may elect to either pursue an appeal to the Civil Service Commission or continue with the contractual grievance procedure, but not both. Time limits will be extended for either side if necessary to complete a reasonable investigation before the election of remedies is made. Appeal for disciplinary actions shall proceed directly to the Civil Service Commission pursuant to the rules of the Commission or to Step 3 as provided in this agreement.

ARTICLE 14 INSURANCE BENEFITS

- 14.1 Effective January 2013, the Employer will make available to all full time employees and their enrolled dependents a choice between two Association of Washington Cities health care plans: (1) Health First or (2) Group Health Co-Pay Plan 2. The Employer shall contribute a flat rate of up to one thousand two hundred dollars (\$1,200) per month toward the cost of medical insurance. Any remaining balance between the \$1,200 and the actual total cost of medical insurance for an employee and the employee's enrolled dependents shall be paid by the employee.
- 14.2 Effective January 2014, the Employer will make available to all full time employees and their enrolled dependents a choice between two Association of Washington Cities health care plans: (1) Health First or (2) Group Health Co-Pay Plan 2. The Employer shall contribute a flat rate of up to one thousand two hundred and seventy five dollars (\$1,275) per month toward the cost of medical insurance. Any remaining balance between the \$1,275 and the actual total cost of medical insurance for an employee and the employee's enrolled dependents shall be paid by the employee.
- 14.3 Effective January 2015, the Employer will make available to all full time employees and their enrolled dependents a choice between two Association of Washington Cities health care plans: (1) Health First or (2) Group Health Co-Pay Plan 2. The Employer shall contribute a flat rate of up to contribute a flat dollar amount of up to one thousand dollars three hundred and fifty dollars (\$1,350) per month toward the cost of medical insurance. Any remaining balance between the \$1,350 and the actual total cost of medical insurance for an employee and the employee's enrolled dependents shall be paid by the employee.

-
- 14.4 DENTAL COVERAGE – The City shall provide and pay all premiums for dental insurance for full time employees and their enrolled dependents through the Association of Washington Cities Dental Plan E.
 - 14.5 VISION COVERAGE – The Employer shall pay 100% of the premiums for the VSP vision care plan.
 - 14.6 DISABILITY COVERAGE – The City shall provide long term disability coverage to each employee covered by this Agreement. The plan shall provide a 60% benefit payable after a ninety (90) day elimination period.
 - 14.7 LIFE INSURANCE – The City will provide for, on behalf of each full time employee, term life insurance in the face amount of \$25,000. The employee may also elect coverage for an eligible spouse and/or dependents in the amount of \$5,000 for a spouse, \$2,000 for each dependent over 6 months of age, and \$100 for infants up to 6 months of age. However, at no time shall the amounts provided violate the provisions of RCW 48.24.030. The City shall pay the full premium cost for the above life insurance.
 - 14.8 Employees who work less than full time or less than a full month shall accrue insurance benefits on a prorated basis.
 - 14.9 The Employees may establish a Retiree Medical Savings Plan through employee contributions.

ARTICLE 15 WAGES AND LONGEVITY

- 15.1 Wages for 2013, 2014, and 2015 shall be increased by 1% effective January 1 of payroll each year as reflected in Appendix A, B and C.
- 15.2 Progression through the above step plan shall be based upon satisfactory performance as determined by the Employer.
- 15.3 ANNUAL STEP INCREASES - Based on satisfactory performance, each eligible employee shall receive an annual step increase on the anniversary date. Within-grade step increases will be 5% on the employee's base salary (excluding any and all premiums) for step increases between the minimum and midpoint of the grade, and 2.5% for step increases above the midpoint of the grade. Step increases may not exceed the maximum of the grade.
- 15.4 PROMOTIONS - If an employee is promoted through re-classification of a position to a higher level or through appointment to another bargaining unit position at a higher level, his/her salary shall be increased to the greater of the minimum of the new salary grade or 105% of the previous salary.
- 15.5 DEMOTIONS - An employee who is demoted for disciplinary or voluntary reasons will receive a reduction in salary as determined by the department director and city

administrator so that the new salary is within the appropriate grade for the new classification.

15.6 HIRING SALARY - New employees generally will begin their employment at the minimum of the grade for the classification. With the approval of the city administrator, a new employee may be started beyond the minimum of the grade if the city administrator is convinced that the best qualified applicant has experience and qualifications exceeding advertised requirements.

15.7 Part time employees shall receive the hourly equivalent of the above monthly wage rates for all hours worked. For the purpose of this section, hourly rate shall be defined as the monthly rate of pay divided by 173.33.

15.8 LONGEVITY - The City agrees to the following longevity pay scale which shall be added to the monthly salary of each employee eligible:

Starting 5th year	\$ 50.00
Starting 10th year	\$100.00
Starting 15th year	\$150.00
Starting 20th year	\$200.00
Starting 25th year	\$250.00
Starting 30th year	\$300.00
Starting 35th year	\$350.00

ARTICLE 16 DEFERRED COMPENSATION MATCH

16.1 The Employer shall contribute matching funds into one of the City's adopted deferred compensation programs as follows: for each dollar contributed by the employee, the Employer shall contribute dollar-for-dollar matching funds to a maximum of six and two-tenths percent (6.2%) of the employee's regular rate of pay. The employee may contribute additional funds with no Employer match as determined or restricted by the adopted deferred compensation plan.

ARTICLE 17 SAVINGS CLAUSE

17.1 Should any provisions of this Agreement or the applications of such provisions be rendered or declared invalid by a court action or by reason of any existing or subsequently enacted legislation, the remaining parts or portion of this Agreement shall remain in full force and effect.

ARTICLE 18 ENTIRE AGREEMENT

18.1 The parties acknowledge that each as had the unlimited right to make proposals and to negotiate fully the terms and conditions of this Agreement and any matter deemed a

proper subject for a collective bargaining agreement. The results of this exercise of rights are set forth in this agreement.

- 18.2 The agreement expressed herein in writing constitutes the entire agreement between the parties, and no oral or written statements shall supersede any of its provisions unless mutually agreed upon by both parties and an amendment or revision to said article or section is properly adopted by both the Union and the City.

ARTICLE 19 CONTRACTING/SUBCONTRACTING

- 19.1 It is the general policy of the City to continue to utilize its employees to perform work that they are qualified to perform. However, the City reserves the right to contract out and/or eliminate any work it deems necessary in the interests of efficiency, economy, improved work product, or emergency. Nothing in this Agreement shall prevent the City from exercising its right to contract out and/or eliminate any work or functions performed by employees in this bargaining unit.
- 19.2 Except where an emergency situation exists, before the City changes its policy involving the overall elimination, contracting, and/or subcontracting of work in a general area, where such policy change will result in the loss of work and/or layoff of more than one bargaining unit member, the City will notify the Union of the elimination and/or contracting of such work or functions, provide the Union with a 30-day period for comments, and consider the Union's comments before making a final determination.
- 19.3 The City agrees that it will not layoff bargaining unit members to replace them with contracted labor if the work/function will continue to be performed/provided by the City of Shelton. This provision does not apply to inter-agency contracts with other governmental entities.

ARTICLE 20 NO STRIKE, NO LOCKOUT

- 20.1 Neither the Union nor its officers, agents, representatives, or members shall instigate, promote, cause, engage in or authorize its members to instigate, promote, cause or engage in any strike, sympathy strike, shutdown, slowdown, picketing or any other stoppage of work or interference of any kind with operations during the life of this agreement.
- 20.2 In the event of unauthorized interruptions, the Union agrees it will join the City in requiring members to return to work immediately. Upon failure, employees who engage in any of the foregoing actions shall be subject to disciplinary action, up to and including suspension or discharge. No individual shall receive any portion of his or her salary or benefits while engaging in activities in violation of this Article.
- 20.3 There shall be no lockout by the City during the term of the Agreement.

ARTICLE 21 SENIORITY

- 21.1 PROBATION – All new employees, including rehires, shall be considered probationary employees and must successfully complete a six- (6) month probationary period before attaining regular employee status. During the probationary period, the probationary employee may be disciplined or discharged at the sole discretion of the City and such action shall not be subject to appeal to the grievance procedure. Civil Service employees will have a twelve (12) months probationary period.
- 21.2 PROMOTIONS AND TRANSFERS. When a non-Civil Service vacancy within the bargaining unit is created and the City decides to fill the vacancy, bargaining unit employees with the necessary qualifications shall have a three-business-day period to apply for the position before the vacant position is advertised externally. The three-business-day period is for consideration only, and the City retains all rights to select and hire personnel.
- 21.3 PROCEDURES FOR REDUCTION IN PERSONNEL. Employees will be laid off from the affected classification (based on job title) within the department in accordance with their seniority and their ability to perform the remaining work available without further training. Ability to perform the work shall take into consideration the employee's training, experience, skills, educational requirements (where appropriate), and specific licenses and certifications related to the job. When two or more employees have relatively equal qualifications to do the work without further training, the employee(s) with the least seniority will be laid off first.
- 21.4 RECALL PROCEDURE. Employees shall be recalled in the reverse order of layoff by classifications within the department. The City has no obligation to recall an employee after he or she has been on continuous layoff for a period of one year. Also, if an employee does not return to work when recalled, the City shall have no further obligation to recall the individual.
- 21.5 Any employee elected as a delegate on behalf of the Union necessitating leave, may at the discretion of the Department Head be granted vacation leave or leave without pay by the City, provided sufficient advance notice is given so that such employee's work may be properly cared for.
- 21.6 Seniority shall be retained and accumulated for any employee who has been promoted to a position out of the bargaining unit for a period of twelve (12) months, at the end of which time his/her seniority shall be forfeited.

ARTICLE 22 EMERGENCY COOPERATION

- 22.1 The City and the Union agree to work in partnership toward a flexible and expeditious response to man-made and natural disasters and emergencies, including potential emergency conditions arising from computer problems. For the purpose of this Article "emergency or disaster" shall have the meaning as provided in RCW 38.52.010 (6). Under conditions of emergency or disaster, the Union agrees that in accordance with its

management rights provisions of this Agreement the City may take the following emergency actions: (1) assign out-of-class work to bargaining unit employees; (2) assign bargaining unit work to excluded employees and/or management employees; (3) assign duties to bargaining unit employees which are not within the job descriptions of the employee(s); (4) hire temporary and contract employees to do bargaining unit work when no qualified member of the bargaining unit is available; (5) in the event of a serious revenue shortfall resulting from an emergency or disaster, the City may offer bargaining unit employees the option of a temporary reduction in their compensation in lieu of reduction in force. Under the conditions of an emergency or disaster, the Union agrees that so long as the emergency actions described herein are undertaken during the existence of an emergency or disaster (with a City Commission declaration of an emergency or disaster as soon as practicable), or the period of recovery immediately following an emergency or disaster, such action shall not constitute a violation of any terms or conditions of the Agreement.

ARTICLE 23 LIFE OF AGREEMENT

23.1 This Agreement shall remain in full force and effect January 1, 2013 through December 31, 2015. Written notice shall be provided within 30 days of ratification by the parties. The Union and City shall give written notice on or before September 1 of any year the contract is due to be amended or terminated; provided, that if notice of modification or termination is given, this Agreement shall remain in effect thereafter during the term of negotiations for a replacement Agreement. On notice, the parties shall meet and negotiate in good faith to arrive at agreed modification or new contract to be effective as the expiration of the term thereof.

SIGNED AND DATED this _____ day of _____, 2013.

CITY OF SHELTON

INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS, IAMAW
WOODWORKERS LOCAL LODGE W-38

Mayor

President

Commissioner

Commissioner

City Administrator