



City Council Staff Report

DATE: September 8, 2010

New Business

SUBJECT: MEMORANDUM OF UNDERSTANDING – SERVICE EMPLOYEES INTERNATIONAL UNION LOCAL 721 REPRESENTING THE GENERAL UNIT

FROM: David H. Ready, City Manager

BY: Human Resources

SUMMARY

The City has reached a tentative agreement with the Service Employees International Union Local 721 (SEIU) representing the General Unit. The City Council will consider adopting a Resolution approving a contract or Memorandum of Understanding between the City and the General Unit.

RECOMMENDATION:

1. Adopt Resolution No. _____, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA APPROVING A MEMORANDUM OF UNDERSTANDING RELATIVE TO WAGES, HOURS, AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT FOR EMPLOYEES IN THE SERVICE EMPLOYEES INTERNATIONAL UNION LOCAL 721 REPRESENTING THE GENERAL UNIT, FOR THE PERIOD JULY 1, 2010 THROUGH JUNE 30, 2012, SUBJECT TO UNIT'S RATIFICATION AND EXECUTING THE MEMORANDUM OF UNDERSTANDING.
2. Authorize the City Manager to execute the Memorandum of Understanding in a form acceptable to the City Attorney.

STAFF ANALYSIS:

The City, through it's Municipal Employee Relations Representative (MERR), and representatives of the Palm Springs chapter of the Service Employees International Union (SEIU) Local 721 representing the General Unit have met and conferred in good faith with the Municipal Employee Relations Representative (MERR) and have reached

ITEM NO. 5.A.

STAFF ANALYSIS CONT:

agreement on the terms and conditions of a Memorandum of Understanding (MOU) governing employees of the City of Palm Springs within the General Unit for the period July 1, 2010 through June 30, 2012.

Highlights to this agreement include:

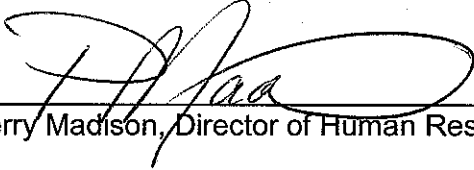
- During the term of this MOU, there will be no salary increases; and
- Employees will be furloughed for ten percent (10%) of their hours by continuing the "9/72" hybrid work week that has been in effect since May 2009. As a result, City Hall will remain closed on Fridays; and
- City contribution towards the cost of health insurance will be reduced to amounts similar with other employee units, and life insurance coverage will be the same amount as provided to management and professional unit employees; and
- Lincoln's Birthday Holiday will be replaced with a floating holiday, as a result, City Hall will be open one additional day in February; and


General Unit and the MERR jointly recommend adoption of such MOU by the City Council.

FISCAL IMPACT

It is estimated that this agreement will result in the following approximate annual savings:

• Furlough	\$ 953,000
• Medical Insurance	\$ 250,000
• Life Insurance	(\$ 14,000)
• Approximate Annual Savings	\$1,189,000


Perry Madison, Director of Human Resources


David H. Ready, City Manager

Attachments: Resolution
Memorandum of Understanding

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS APPROVING A MEMORANDUM OF UNDERSTANDING RELATIVE TO WAGES, HOURS, AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT FOR EMPLOYEES IN THE SERVICE EMPLOYEES INTERNATIONAL UNION (SEIU) LOCAL 721 REPRESENTING THE GENERAL UNIT, FOR THE PERIOD JULY 1, 2010 THROUGH JUNE 30, 2012, SUBJECT TO UNIT'S RATIFICATION AND EXECUTING THE MEMORANDUM OF UNDERSTANDING.

WHEREAS, Resolution 16438 designates the City Manager (acting personally or through a delegee) as the Municipal Employee Relations Representative (MERR) who shall be the City's principal representative on all matters of employer-employee relations, with authority to meet and confer in good faith on matters within the scope of representation, including wages, hours, and other terms and conditions of employment; and

WHEREAS, the City, through its Municipal Employee Relations Representative (MERR), has met and conferred in good faith on wages, hours, terms and other conditions of employment with the Service Employees International Union (SEIU) Local 721 representing the General Unit; and

WHEREAS, as a result of such good faith negotiations the MERR and SEIU have reached agreement on the terms and conditions of a Memorandum of Understanding (MOU) governing employees of the City of Palm Springs within such General Unit, subject to ratification by the Unit; and

WHEREAS, SEIU and the MERR jointly recommend adoption of such MOU by the City Council;

THE CITY COUNCIL OF THE CITY OF PALM SPRINGS DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the Memorandum of Understanding between SEIU and MERR, for the period July 1, 2010 through June 30, 2012, on file with the City Clerk and incorporated herein by this reference, is hereby approved upon ratification and execution of said Memorandum of Understanding in a form approved by the City Attorney.

ADOPTED THIS 8TH DAY OF SEPTEMBER, 2010

David H. Ready, City Manager

ATTEST:

James Thompson, City Clerk

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, hereby certify that Resolution No. _____ is a full, true and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Springs on this 8th day of September, 2010, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

James Thompson, City Clerk
City of Palm Springs, California

MEMORANDUM OF UNDERSTANDING BETWEEN
THE MUNICIPAL EMPLOYEE RELATIONS
REPRESENTATIVE AND THE SERVICE EMPLOYEES
INTERNATIONAL UNION LOCAL 721
REPRESENTING THE GENERAL UNIT
JULY 1, 2010 - JUNE 30, 2012

This Memorandum of Understanding ("MOU") is entered into with reference to the following facts:

A. The Palm Springs chapter of the Service Employees International Union Local 721 (hereinafter called "Union") is the recognized employee organization for members it represents employed by the City within the General Unit (herein called "UNIT") as defined in Resolution 16438 (Employer-Employee Relations Resolution), as amended by Resolution 17793.

B. The Palm Springs chapter of UNION and the Municipal Employee Relations Representative (hereinafter called "MERR") have met and conferred in good faith on wages, hours and other terms and conditions of employment for the employees represented by UNION in the Unit and have reached agreements which are set forth in this Memorandum of Understanding (hereinafter called "MOU").

UNION and MERR agree as follows

1. This MOU constitutes a joint recommendation by UNION and the MERR, to be submitted to the City Council of the City of Palm Springs (hereinafter called the "City Council") for its determination and approval by one or more resolutions, as the City Council may deem fit and proper.

2. This MOU recommended to the City Council shall be for the period commencing July 1, 2010 and terminating at midnight, June 30, 2012; provided, however, that specific sections of this MOU may have later effective dates as specified herein.

3. SALARIES

There shall be no increases or decreases to salary during the term of this MOU.

4. HEALTH AND WELFARE

The parties agree to continue to negotiate on the medical plan options to be made available effective January 1, 2011. The City has advised the Union that it will be marketing the Union's plan and presenting options regarding alternative plans. The Union has advised the City that it needs some time to gather the information necessary to effectively negotiate for alternatives to the health and welfare benefits provided within this Article.

The parties agree that those negotiations will yield a result wherein the cost to the City of the health and welfare benefits (health insurance, dental insurance and vision insurance) will not exceed the following maximum amounts effective January 1, 2011:

- Single Party : \$ 582.00
- Two-Party : \$1,141.00
- Family : \$1,544.00

The changes made to the health and welfare benefits through the parties' negotiations will cause some of the language below (in sections 4.1, 4.2 and 4.3) regarding health insurance, dental insurance and vision insurance to be superseded following completion of the negotiations process. The parties agree that they will modify this MOU at that time to reflect the agreed upon amounts for each of the health and welfare benefits

4.1 Health Insurance

Effective January 1, 2010 through December 31, 2010, City and UNION agree to the following maximum contributions by represented UNIT employees towards the premiums for health and hospitalization coverage, as selected by UNION and approved by the City Council as follows:

<u>PPO Plan</u> Employee Contribution		<u>PPO Plan</u> City Contribution
Single Party	\$ 35.81	\$ 675.57
Two-Party	\$ 73.20	\$1,420.75
Family	\$ 107.43	\$2,026.73

<u>HMO Plan</u> Employee Contribution		<u>HMO Plan</u> City Contribution
Single Party	\$9.54	\$ 420.16
Two-Party	\$20.05	\$ 882.11
Family	\$28.65	\$1,260.43

The health insurance rates effective January 1, 2011 will be determined following the negotiations described at the beginning of this Article.

Effective January 1, 2011, City and UNION agree to the following maximum contributions by represented UNIT employees towards and the City for the premiums for health and hospitalization coverage, as selected by UNION and approved by the City Council as follows:

<u>PPO Plan</u> Employee Contribution		<u>PPO Plan</u> City Contribution
Single Party	\$	\$
Two-Party	\$	\$
Family	\$	\$

<u>HMO Plan</u> Employee Contribution		<u>HMO Plan</u> City Contribution
Single Party	\$	\$
Two-Party	\$	\$
Family	\$	\$

The parties have agreed to a maximum City contribution effective January 1, 2011 of \$582.00 for Single Party, \$1,141.00 for Two-Party and \$1,544.00 for Family coverage for the combined benefits of health insurance, dental insurance and vision insurance. The dental insurance and vision insurance contributions (City and Employee for Dental Insurance and City for Vision Insurance have been determined below in Articles 4.2 and 4.3. As such, although there will be maximum amounts entered in the boxes above for health insurance effective January 1, 2011, the City will only contribute the combined maximums of \$582.00 for Single Party, \$1,141.00 for Two-Party and \$1,544.00 for Family. For an employee who chooses family coverage, the City's maximum City health insurance contribution will be \$1,544.00 minus the cost of the chosen dental insurance minus the cost of the vision insurance if chosen.

In the event that the premium charges for the health or dental program exceed the City's maximum rate of contribution by 10% annually starting in 2012, the amount of excess shall be paid by the employee through a payroll deduction.

4.1.1 Domestic Partner Coverage

The City of Palm Springs agrees to maintain Domestic Partner Coverage as part of the current health, dental, and vision coverages, in accordance with the City of Palm Springs Ordinance No. 1578. In addition to the requirements of Ordinance 1578, all enrollees must still provide a copy of the Declaration of Domestic Partnership, Statement of Financial Liability for Domestic Partner Health Benefits and Affidavit of Eligibility for Economically Dependent Children to the City. The City will continue to use the same enrollment policies for domestic partners as are currently used for traditional marriages.

4.1.2 Retiree Health Coverage – "Tier I" – Effective 7/1/1999:

- A represented UNIT employee who attains age fifty (50) and leaves active service as a Palm Springs employee after 20 years of continuous service, the City shall pay 75% of up to two party coverage for the "retirees" health plan being covered at the time one leaves active service.

Any annual increases in premiums will be included in the 75% calculation.

- A represented UNIT employee who attains age fifty (50) and leaves active service as a Palm Springs employee after 25 years of continuous service, the City shall pay 100% of up to the two party coverage for the "retirees" health premium being covered at the time one leaves active service. Any annual increases in premiums will be included in the 100% calculation.
- All Employees who become eligible to receive Medicare must enroll in Medicare Part A and B to remain eligible to receive the above contributions. The City shall reimburse the member for the actual cost of Medicare Part A and Part B being charged to the member.

4.1.3 Retiree Health Coverage – "Tier II" – Effective 12/7/2005:

For all employees hired after December 7, 2005 there will be no City contribution for retiree health benefits. The City will, however, make a \$50.00 per month contribution to an employee Retiree Health Savings Plan and the associated fixed dollar cost of administration.

4.1.4 Retiree Health

Employees in the UNIT shall be permitted, at their expense, to participate in the City-provided group health plans after retirement except as otherwise provided in Paragraphs 4.1.2 and 4.1.3 above.

4.2 Dental Coverage

Unless otherwise agreed to during negotiations for modifications to the health and welfare benefits as described at the beginning of this Article for the term of this MOU, UNIT members agree to contribute up to the following maximum amounts toward the premiums for dental insurance coverage as follows:

SAFEGUARD		SAFEGUARD
Employee Contribution		City Contribution
Single	-0-	\$ 16.63
Two-Party	-0-	\$ 28.79
Family	-0-	\$ 37.73

METLIFE		METLIFE
Employee Contribution		City Contribution
Single	-0-	\$ 43.94
Two-Party	\$ 5.20	\$ 88.30
Family	\$11.48	\$135.54

4.3 Vision Plan

Unless otherwise agreed to during negotiations for modifications to the health and welfare benefits as described at the beginning of this Article, the City shall provide UNIT employees with a fully funded vision plan through Vision Service Plan (VSP), which provides annual eye examinations and glasses every two years. UNIT agrees that co-pay on Vision Plan will be \$20 per visit.

4.4 Life Insurance

For the term of this MOU, City agrees to provide term life insurance coverage of Fifty Thousand Dollars (\$50,000.00) for each represented employee in the UNIT.

4.5 Short Term Disability

For the term of this MOU, City agrees to continue Short Term Disability insurance coverage. The waiting period is 14 days. Premium payments will be paid by employees.

4.6 Long Term Disability

City agrees to continue Long Term Disability insurance coverage through any carrier of its choice as long as coverage remains the same or greater without further meet and confer required.

4.7 Retirement Plan

The City will contract with PERS for the 2.7% @ 55 formula at no additional cost to the employee for the term of this MOU.

4.7.1 Employer-Paid Member Contributions

Pursuant to Government Code sections 20636 (c)(4), 20691 and 20692, City agrees to pay all of the normal PERS contributions of UNIT members represented by UNION and to report the Employer-Paid Member Contributions ("EPMC") to PERS as additional compensation for all members of UNIT under the provisions and requirements of these statutes.

City will continue to make all PERS mandated Employer-Paid Employer Contributions ("EPEC"), including any increase in such contributions occasioned by the conversion.

5. STANDBY, CALL BACK AND TRAINING PAY

5.1 Standby Pay

Whenever a Unit employee is scheduled for standby duty for court, or for weekends and/or holidays, such employee shall be paid for two (2) hours per day for standby at the employee's regular hourly rate, not subject to overtime premium.

Dispatchers who are under subpoena during non-working hours shall be paid for actual court time with a minimum of four (4) hours pay for each day's appearance at the rate of time and one-half.

5.2 Call Back Pay

A UNIT employee called back to work shall be paid a minimum of two (2) hours per incident, (from when the employee leaves his/her house) at one and one-half (1 1/2) times such employee's regular hourly rate.

5.3 Training Pay

City shall provide 5% Training Pay to anyone required to train. Such training pay is for actual time spent training other employees. Training pay will be subject to City Manager approval.

5.4 Travel Time

A UNIT employee called back to work shall be paid for no more than one (1) hour of travel time (from when the employee leaves his/her house). Such employee shall be paid at one and one-half (1 1/2) times such employee's regular hourly rate.

6. ATTENDANCE, HOLIDAYS, AND LEAVE

6.1 General Leave for UNIT Employees

6.1.1 Definition

General leave is any approved absence with pay from regularly scheduled work for any purpose. For employees in the UNIT, general leave shall substitute for either annual leave or sick leave as covered under Personnel Rule 6 as amended herein.

6.1.2 Holidays While on General Leave

If a recognized holiday for which the employee is eligible falls within an approved leave, the Unit employee shall be paid for that day as a holiday and the accrual for general leave shall not be debited for that day.

6.1.3 President's Day Holiday and Floating Holiday

Effective July 1, 2010, the parties agree to modify personnel rule 6.4.2 as applicable to this UNIT which provides the holiday schedule for general employees by deleting Lincoln's Birthday and modifying the title of Washington's Birthday to President's Day.

The parties also agree that effective July 1, 2010, all employees in the UNIT will have one floating holiday each calendar year (January 1 – December 31) which must be used by December 31 of the calendar year to which it applies. The floating holiday does not accrue as a leave and cannot be cashed out. If it is not used by an employee it is lost. Employees may request to use their floating holiday just like a request to use general leave. Department Heads have discretion whether to grant or deny a request to use the floating holiday, but given that such holiday must be used within the calendar year to which it applies, must exercise that discretion carefully to ensure that employees can use their floating holiday.

6.1.4 General Leave for Recalled (Re-employed) and Reinstated Unit Employees

Notwithstanding other provisions of these rules, for general leave purposes only, eligible recalled (re-employed) and reinstated Unit employees shall receive service credit for the most recent leave commencing with the effective date of such reinstatement or reemployment at the current accrual rate applicable to the service credit they received.

6.1.5 General Leave General Provisions

General leave must be approved by the department head. For purposes of computing general leave usage regularly assigned days off shall not be counted as "working days". General leave shall be paid at the member's straight time hourly rate of pay in effect during the leave program. Unit employees shall be eligible to use general leave after the

successful completion of the initial probationary period. Dispatchers shall be eligible to use General Leave after the completion of 6 months.

6.1.6 Maximum Accrual and Minimum Use

General leave shall accrue to the credit of an eligible Unit employee up to, but not to exceed, a maximum accrual of four hundred forty (440) hours. City will expedite leave requests submitted by Unit employees who are at maximum accrual. Department heads are responsible for planning work schedules to allow each Unit employee to take at least forty (40) consecutive hours of General Leave each calendar year if they

request it. Approval of general leave shall not be unreasonably withheld. Failure to use at least forty consecutive hours of general leave shall result in City Manager review of the circumstances surrounding such failure.

6.1.7 Notification of Supervisor

Each department head shall establish reasonable written requirements for reporting an absence or tardiness. Those written requirements must be approved by the Personnel Officer. In order to receive compensation while absent on general leave, the employee must comply with the official written notification requirements of that department. City agrees to work towards standardization of the official written notification requirements.

6.1.8 Accrual Rates

General leave shall accrue and vest on the basis of the following schedule:

YEARS OF SERVICE	HOURS ACCRUED & VESTED FOR EACH FULL MONTH WORKED
0 through 3	12
4 through 7	14
8 through 10	16
11 through 14	18
15 through 17	20
18 and over	20.67

6.1.9 General Leave Cash-In

Unit employees shall have the option of converting hours of accrued and vested general leave into cash on the last pay day in July and on the first pay period of December of each year. Employees must advise payroll staff of their desire to convert accrued and vested general leave to cash three weeks prior to these pay days.

6.1.10 Disposition of Accrued and Vested Leave Upon Termination

Upon termination, all unpaid accrued and vested general leave will be paid at the employee's current salary rate. All unpaid accrued and vested general leave of deceased employees shall be paid to the estate of said deceased except as otherwise provided by law.

6.2 Compensatory Time Accumulation

The maximum accumulation of compensatory time off is one hundred (100) hours.

7. TOOL ALLOWANCE

City agrees to pay a monthly tool allowance of One Hundred Twenty-Five Dollars (\$125.00) per month to Unit positions in the Fleet Operations Division and the Facilities Maintenance Division.

8. UNIFORM ALLOWANCE

City agrees to pay a monthly uniform allowance to each incumbent in the Unit job classifications listed below, in the amounts indicated, as a reimbursement for expenses incurred for acquisition and maintenance of uniforms as follows:

UNIFORM ALLOWANCE			
Animal Control Officer	\$85.00	Plans Examiner II	\$30.00
Animal Shelter Assistant	\$30.00	Police (PAL) Officer	\$85.00
Building Inspector	\$30.00	Police Records Technician	\$85.00
Code Compliance Officer	\$30.00	Police Services Officer	\$85.00
		Police Services Supervisor	\$85.00

The City shall (each fiscal year) provide all Code Compliance Officers, Building Inspectors, Plans Examiner II's and Animal Shelter Assistants with ten (10) shirts which shall constitute the required uniform during working hours.

9. NO DRINKING RULE

Provided this same rule is applicable to management employees, UNION agrees that all employees in the Unit shall be prohibited from drinking alcoholic beverages at any time during the workday, including breaks and lunch.

10. MILEAGE REIMBURSEMENT

UNION and City agree that employees in the Unit shall receive mileage reimbursement in accordance with existing City policy, at the prevailing IRS rate.

11. EDUCATIONAL REIMBURSEMENT

No Unit employee shall receive, more than \$1,500/fiscal year through the Educational Reimbursement Program.

12. EDUCATIONAL INCENTIVE PAY FOR MASTER'S DEGREE

Unit members will be eligible to receive an additional five percent (5%) Educational Incentive Pay for a Master's Degree from a college or university accredited by either the Council for Higher Education Accreditation ("CHEA") or the U.S. Department of Education ("USDE").

13. BILINGUAL PAY

City shall maintain the bilingual pay program instituted in the 2002-2003 MOU under which Unit employees shall be entitled to premium pay of five percent (5%) over their regular base salary for their services as bilingual employees. In order to be eligible for such premium pay, an employee must pass an examination to be developed and administered by the City demonstrating fluency in reading and speaking the desired second language. The City Manager shall determine the language needs, as well as the number of employees eligible.

Effective January 1, 2002, the City added sign language to the list of recognized languages with one (1) position authorized, location to be at the City Manager's discretion. This previous agreement shall continue during the period of this MOU.

14. CERTIFICATION PAY

Building Inspectors with International Code Council ("ICC") Building Inspector Certification, Code Compliance Officers with CACEO or ICC Certification as a Property Maintenance & Housing Inspector, and Permit Center Technicians and Senior Permit Center Technicians and Plans Examiners and Plans Examiner II's with International Code Council Certifications (ICC) as they pertain to their positions, shall be paid an additional two and one half percent (2.5%) in salary.

Public Works Inspectors and Engineering Field Technicians with American Construction Inspection Association ("ACIA") Certifications as they pertain to their positions, and Fleet Maintenance Technician IV with a Fire Mechanics Certification, shall be paid an additional two and one half percent (2.5%) in salary.

14.1 Notary

Unit employees selected at the City Manager's discretion who are licensed notaries shall be entitled to premium pay of an additional two and one half percent (2.5%) over their regular base salary for their services.

15. POLICE DEPARTMENT BEARDS & UNIFORM POLICIES

All Unit employees working in the Police Department who wear a uniform or receive a uniform allowance cannot wear a beard. Wearing a beard shall subject these employees to potential disciplinary action.

UNION further agrees that the Uniform Regulations, Specification Section of Police Department Manual shall apply to UNIT members to extent that provisions do not conflict with this MOU or the City's personnel rules.

16. SAFETY SHOES

The City shall provide safety shoes to those positions that meet the general industry standard ANSI Z41-1991 to those positions necessitating safety footwear protection. Unit members are to wear these safety shoes at all times while performing usual and customary duties and failure to do so shall subject employees to potential disciplinary action.

17. HOURS OF WORK, NORMAL WORK WEEK, AND SHIFT DIFFERENTIAL

During the term of this MOU, employees in the Unit will be furloughed for ten percent of their hours by working the "9/72" hybrid work week schedule that had been in place in the year prior to this Agreement. The hybrid work schedules, as previously negotiated, will continue in each work area resulting in 36 hours per week. Holidays during the term of this Agreement (during the furlough) will continue to be calculated at nine (9) hours. The parties agree that once the furloughs end, holidays will revert back to eight (8) hours for employees who are scheduled to work eight (8) hours per day. Employees who were scheduled to work a schedule other than eight hours per day prior to the effective date of the furloughs will receive holiday pay (after the furloughs end) based on the numbers of hours of holiday pay they received for each holiday prior to the furloughs. The parties also agree that once the furloughs end, schedules will revert back to the original work schedule in place at the time pre-furlough. The parties are hopeful that furloughs will no longer be needed at the end of the term of this MOU and will be negotiating for a successor agreement prior to the end of its term.

The parties agree that if the 2011-12 budget indicates that the City's General Fund revenues from all revenue sources have returned to the FY2007-08 total revenue of \$75,136,386, the parties will commence negotiations within twenty (20) calendar days for the purpose of discussing the elimination of furloughs for 2011-12.

17.1 Normal Work Week

The normal work week for full-time employees is forty (40) hours consisting of five (5), eight (8) hour work days during the seven (7) day FLSA workweek starting 12:01 a.m. Sunday and ending 12:00 midnight of the following Saturday. The Airport's Security Access Control System (SACS) will be used for employees clocking in and out.

17.2 Alternate Work Schedules

The City currently provides alternate work schedules for various Unit members and may increase, decrease and/or eliminate such schedules at the discretion of the City Manager after the required meet and confer with UNION. If UNIT members work a 9/80 work schedule, their FLSA workweek shall begin exactly four hours into their shift on the day of the week which constitutes their alternating regular day off to ensure they work exactly forty (40) hours in each workweek.

17.3 No Guarantee of Hours

Nothing contained in this MOU shall be construed to constitute a guarantee of hours of work per day or per work week or of days of work per work week.

17.4 Shift Differential Pay – Graveyard Shift

All employees regularly scheduled to work a "graveyard shift" will receive an additional 5% as shift differential pay. Graveyard schedules are those which begin at 8:00 or after in the p.m., and before 5:00 in the a.m. (Note: there will be no intent on the part of the City that current graveyard shifts will be changed to hours which will avoid the payment of shift differential.)

18. CHANGE OF PAY PERIOD ENDING DATE

In the event that all units agree to a change in the pay periods during the term of this MOU, UNION agrees to said change, as long as there is no loss of pay due to a changeover. UNION also agrees that should the City advance any pay, the said amount of advance will be deducted from the employee's last paycheck.

19. SUPPLEMENTAL CITY INDUSTRIAL DISABILITY COMPENSATION (SCODC) FORMULA

UNION agrees that the City will pay the difference between benefits received from the Workers' Compensation Act and full pay (base pay) not to exceed 90 working days. When SCODC ends, the employee may make a request in writing to the Payroll Office for leave time to be used to supplement the difference between the benefits received under Workers' Compensation Act and their regular pay.

Per Personnel Rule 6.8.5, whenever an employee is disabled temporarily and is entitled to receive temporary disability indemnity benefit payments provided under the Workers' Compensation Act, the employee shall receive supplemental City industrial disability compensation (SCODC) sufficient to pay to the employee a combined total amount equal to regular base pay for the period of temporary disability, but not to exceed a total period of ninety (90) working days for any one injury or all combined injuries within one calendar year. If an employee in this situation goes on a vacation while receiving SCODC, the employee must use vacation leave and SCODC will stop during the vacation. The SCODC will continue upon the employee's return from vacation.

20. COMMERCIAL LICENSE REQUIREMENT

Certain positions as identified in the job descriptions for UNIT members shall require possession of a commercial driver's license with a P endorsement. For incumbent employees, they shall have six (6) months to obtain the required endorsement. Failure to obtain the required endorsement shall subject the employee to disciplinary action.

21. STRIKES AND WORK STOPPAGES

UNION and City agree that the following conduct is prohibited:

21.1 UNION, or any of its officers, agents, representatives and/or Unit employees agree that during the term of this MOU, they will not cause or condone any strike, walkout, slowdown, sick out, or any unlawful job action by withholding or refusing to perform services.

21.2 In the event that UNION, its officer, agents, representatives, or Unit employees engage in any of the conduct prohibited in Section 21.1, UNION shall immediately instruct any such person engaged in such conduct that their conduct is in violation of this MOU, and that they must immediately cease engaging in conduct prohibited in such Section 21.1, and return to work.

22. UNION STEWARDS

The City will provide a bank of one hundred twenty (120) hours per year to be allocated by UNION among the stewards on UNION'S Board of Stewards to carry out stewards' functions under this MOU. A steward who intends to use any part of the hours bank shall obtain the prior permission of the supervisor and such permission shall not be unreasonably withheld. The individual steward shall be personally responsible for notifying the City's Human Resources Department of the use of such hours.

23. FEDERAL AND STATE LAWS

It is understood and agreed by the parties hereto that this MOU is subject to all present and future applicable Federal and State laws and regulations and the provisions hereof shall be effective and implemented only to the extent permitted by such laws and regulations.

If any part of this MOU is in conflict or inconsistent with such applicable provisions of Federal or State laws or regulations, or otherwise held to be invalid or unenforceable by any tribunal of competent jurisdiction, such part or provisions shall be suspended and superseded by such applicable laws and regulations and the remainder of this MOU shall not be affected thereby and shall remain in full force and effect.

24. MAINTENANCE OF BENEFITS

The status of all existing benefits and conditions of employment now enjoyed by the employees in the Unit represented by UNION shall not be deemed to be affected by this MOU, except as specifically modified by provisions hereof or by actions taken in the implementation hereof.

25. CONTINUANCE OF MEMBERSHIP

All Unit employees who are members of UNION shall continue and maintain their membership in UNION for the duration of this MOU, except that any employee who is or becomes a member of UNION during the term of this MOU may, during the period of June 16 through June 30, 2012, withdraw his/her membership in UNION by notifying the City and UNION in writing of such withdrawal and that after such withdrawal said employee will no longer be required to remain a member of UNION.

UNION agrees to enforce this provision and to indemnify, defend, and hold the City of Palm Springs, its officer, and MERR harmless from any claims, demands, expenses, losses, liabilities, and/or damages arising from the operation of this Section. Provided further, however, that the City reserves the right to file suit in the Superior Court of the State of California for Riverside County for the purpose of seeking declaratory relief as to whether or not this Section is legal and valid under the laws of the State of California, and if said Section is declared invalid or unlawful, it shall be of no force nor effect.

26. OVERTIME AND COMPENSATORY TIME

The rules governing overtime and compensatory time are found in the Personnel Rules and included herein by this reference.

27. SALARY ADVANCEMENT ELIGIBILITY

Personnel Rule 5.9.2.1 is modified to the extent that UNION unit members shall not be eligible for step increases unless they have at least a "meets expectation" or higher service rating.

28. BEREAVEMENT LEAVE

Personnel Rules 6.16.2 AND 1.16.3 are modified to the extent that UNIT members shall be granted three (3) scheduled work days in the event of a death in the "immediate family" of an employee regardless of travel requirements.

29. CELLULAR PHONE POLICY

UNION approves institution of Cellular Phone Acquisition and Usage Policy effective July 1, 2003.

30. REASONABLE DRESS POLICIES

The Union agrees that is in both the City's and employees' best interest that employees are dressed professionally for the particular work they perform. The Union agrees that Department Heads can develop reasonable professional dress standards which may include a uniform for each of their departments. However, before any dress policies may be implemented, the City agrees that it will provide the proposed policy to the UNION for its review and input.

SERVICE EMPLOYEES INTERNATIONAL UNION LOCAL 721

Date: _____

By: _____
Union Representative

By: _____
Negotiator

By: _____
Negotiator

By: _____
Negotiator

By: _____
Negotiator

MUNICIPAL EMPLOYEE RELATIONS REPRESENTATIVE

Date: _____

By: _____
City Manager

Attest: _____
City Clerk

By : _____
Director of Human Resources

Approved as to form: _____
City Attorney