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JUN 14 2012

Chandler



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MEMORANDUM

DATE: June 14, 2012

TO: Mayor and Council

THRU: Rich Dlugas, City Manager *RD*

FROM: Debra Stapleton, Human Resources Director *JAS*

SUBJECT: IAFF Local 493 Memorandum of Understanding

RECOMMENDATION: Approve the two-year Memorandum of Understanding between the City of Chandler and the IAFF Local 493 for July 1, 2012 through June 30, 2014.

BACKGROUND: The City and Chandler Firefighters (Fire) commenced negotiations in late February to discuss the provisions of their Memorandum of Understanding (MOU). After several months of negotiations, the City and Fire were able to reach an agreement for a two-year Memorandum of Understanding effective July 1, 2012, through June 30, 2014, with a wage reopener in year two of the contract.

DISCUSSION: The primary issue discussed between the parties was Fire's desire to maintain a fourth ranking in comparison with other Valley cities. This provision already exists in the two police organizations' MOUs.

It is projected that Fire will be 4.32% below the fourth position as of July 1, 2012. The cost to place Fire at fourth among the comparable cities was estimated at approximately \$681,000. The City and Fire reached an agreement to address this market issue over a two-year period. In FY 12/13, firefighters, fire engineers and fire captains will receive a 2.7% across the board wage adjustment. In FY 13/14, the remaining wage adjustment (1.62% or the percentage required to place Chandler Fire into the fourth position among comparable cities, whichever is higher) will go into effect.

The City also agreed to modify the definition of special merit pay in order to allow firefighters, engineers and captains to receive the one-time payment after a specific time served in the classification, regardless of whether they reached the top of the range.

Fire agreed to remove the Pain and Suffering provisions from the MOU. The provision of this benefit will now be based on the City's Personnel Rules and policy in order to provide City-wide consistency in the application of the program.

The City and Fire agreed that the City has not budgeted on-going dollars for merit increases in FY 12/13, however, the issue of on-going merits will be discussed as part of the wage reopener for FY 13/14.

The remaining changes are not substantive and are housekeeping in nature.

RECOMMENDATION: We recommend the City Council approve this Memorandum of Understanding for Fire for a two-year period of July 1, 2013 through June 30, 2014 with the wage reopener for FY 13/14.

MOTION: Approve the two-year Memorandum of Understanding between the City of Chandler and the IAFF Local 493 for July 1, 2012 through June 30, 2014.

Copy: Robert Isaacson, President, IAFF Local 493

MEMORANDUM OF UNDERSTANDING

2012 – 2014

CITY OF CHANDLER

AND

**UNITED PHOENIX FIREFIGHTERS
ASSOCIATION**

IAFF

LOCAL 493

CHANDLER CHAPTER

REPRESENTING

CHANDLER FIREFIGHTERS

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PREAMBLE

Whereas the well being and morale of the employees of the City are benefited by providing an opportunity to participate in the formulation of policies and practices affecting the wages, hours, benefits and other 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 the City government provided for under the statutes of the State of Arizona or the charter or ordinances of the City; 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, benefits and other conditions of employment in the bargaining unit; and

Now therefore, the City of Chandler, hereinafter referred to as the "City" and, IAFF Local 493 Chandler Chapter, hereinafter referred to as the "Employee Organization," having reached this complete agreement concerning wages, hours, and working conditions for the term specified, the parties submit the Memorandum to the Mayor and the City Council of the City of Chandler with their joint recommendation that the body resolve to adopt its terms.

ARTICLE 1: RIGHTS

Section 1 – 1: **Purpose / Gender**

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

Whenever any words used herein are 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.

Section 1 – 2: **City and Management Rights**

The City and the City Manager's rights are not subjugated or diminished in any way by any expressed or implied duty or obligation to meet and confer. Retained management rights are not subject to the grievance procedure contained in any memorandum of understanding, nor are they subject to any other appeal or complaint process.

- A. The City has and will continue to retain, whether exercised or not, the unilateral and exclusive right to operate, administer, and manage its municipal services and work force performing those services. The authority of the City shall not be modified or limited by inference or implication.

- B. The exclusive rights of the City shall include, but not be limited to, the right to determine the organization of City government, the purpose of each of its departments, and the purpose and mission of its constituent agencies, boards and commissions, 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 rules and practices governing the conduct of unit members, to direct and supervise its unit members and their work, to take disciplinary action, to relieve its unit members from duty because of lack of work or for other legitimate reasons, to determine whether goods and or services shall be made, 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, to hire, transfer and reassign unit members and to otherwise act in the interests of efficient service to the community. The City reserves the right to establish and revise work schedules and work locations; to establish, revise and implement standards for hiring and promoting unit members; to determine the need for additional positions and the qualifications of new unit members and to determine the qualifications for and/or the qualifications of unit members considered for transfer and/or promotion; to evaluate and judge the skill, ability and efficiency and general work performance of unit members; to adopt and to manage its budget, provide for the funding of certain levels of service, to add, delete, modify, or suspend certain programs, functions, divisions, and departments as the City Council in the exercise of its legislative authority to create and manage the City's budget and to determine whatever action to be necessary and appropriate. The City also has the right to take all necessary actions to maintain uninterrupted service to the community.

- C. The City retains all rights not specifically limited by a memorandum of understanding approved in accordance with the provisions of the Meet and Confer Ordinance.
- D. The enumeration of the above rights is illustrative only and is not to be construed as being all-inclusive.

Section 1 - 3: Employee Organization Rights

- A. It is understood by the parties that 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 unit member's work shift in pursuit of benefits provided by this Article.
- B. The Employee Organization, as the authorized representative, has the exclusive right to serve as the meet and confer representative of all unit members in the Firefighter's Unit as certified by the Chandler City Council Ordinance No. 3619.
- C. During the term of the Memorandum of Understanding Employee Organization officials will be released from duty with full pay when directed by the City to participate in a meeting with the City and/or City representatives.
- D. Employee Organization representatives shall be released from duty with full pay to provide unit member representation in a grievance hearing or disciplinary meeting with a unit member.
- E. The Employee Organization, through its designated representative, may distribute materials on the City premises (building and grounds) only before and after scheduled departmental activities designated by the Fire Chief. Activities will not in any manner interfere with the efficient and economical operations of the Department, or adversely impact the level of emergency service or support services.
- F. Each Memorandum year, the City will, subject to operational requirements, allow release time with pay up to a maximum of 1500 hours for duly elected officers, trustees of the Employee Organization and members appointed in writing by the Chandler Chapter Vice President for specific committees (not to include department committees), to attend Employee Organization business and Board of Trustees meetings. The Fire Chief, the HR Director or designee, and the Employee Organization Vice President must approve any hours in excess of 1500.
- G. Notice of meeting dates and names of those officers and/or trustees to be attending must be submitted to the Fire Chief or his designee by the Employee Organization no later than twenty-four (24) hours in advance of the release time.
- H. Employee Organization members may be authorized in advance in writing to engage in Employee Organization related activities during duty hours on a non-paid basis by the Fire Chief at such time and in such instances when in the discretion of the Chief such will not in any manner interfere with the efficient and economical operations of the Department nor adversely impact the level of firefighting services or support services.
- I. There shall be no use of official time for Employee Organization-related activities except as expressly authorized under this Article. The Department shall maintain procedures to administer and control use of official time in conformity with the provisions of the Article.

J. City shall furnish to the Employee Organization on request, at actual cost, a listing of Employee Organization members on City payroll deduction in July and January during the term of this agreement indicating name, mailing address, and job assignment. The Employee Organization agrees to use this list solely for purposes of communicating with unit members and will not share this information with other individuals or organizations.

K. Payroll Deduction

- 1) The City shall deduct yearly from all twenty-six (26) checks of Employee Organization members, the regular periodic Employee Organization membership dues pursuant to the City's deduction authorization form duly completed and signed by the unit member and transmit such deductions monthly to the Employee Organization no later than the fourteenth (14) day following the end of the pay period in which the deduction occurs, along with an alphabetical list of all unit members for whom deductions have been made. Such deduction shall be made only when the Employee Organization member's earning for a pay period, are sufficient after other legally required deductions are made.
- 2) Authorization for membership dues deduction herein under shall remain in effect during the term hereof unless revoked in writing by the unit member. The City shall accept revocation of deductions only during the first week of January and July of the term of this memorandum to be effective the following payroll period. The City will notify the Employee Organization of any revocations submitted to it.
- 3) The City shall not make dues deductions for unit members on behalf of any other non-designated Employee Organization (as defined in the Meet and Confer Ordinance) during the term of this Memorandum.
- 4) It is agreed that the City assumes no liability on account of any actions taken pursuant to this section. The City will, however, as promptly as technically possible, implement changes brought to its attention.
- 5) The City shall, at the written request of the Employee Organization during the term of this agreement, make changes in the amount of dues deduction hereunder for the general membership, provided costs for implementing such changes shall be reimbursed by the Employee Organization at actual cost incurred by the City.

L. Facilities and Services

- 1) The City shall provide the Employee Organization with space for bulletin boards for its use in communicating with its members at mutually agreeable locations. The City shall grant sole and exclusive use of such bulletin boards to the Employee Organization. Bulletin boards shall not exceed 4' x 3' (width by height) in size.
- 2) Material which is not abusive of any person or organization, which complies with laws regulating the political activities of City employees, and which is not disruptive of the City's operations, may be posted or distributed, provided that such material is signed by an authorized official of the Employee Organization. The Employee Organization may grieve any removal by the City of posted material.

M. Recognition

The City recognizes the Employee Organization as the sole and exclusive Meet and Confer agent, pursuant to the Meet and Confer Ordinance for the purpose of representation

regarding wages, hours, benefits and other conditions of employment for all regular full-time non-probationary unit members in the bargaining unit. Employee Organizations shall have no rights beyond those specified in the Meet and Confer Ordinance and this Memorandum.

Section 1 - 4: Unit Member Rights

- A. Eligible City employees have the right to be represented by an Employee Organization and to have a member of the Employee Organization present during the disciplinary process. The disciplinary process does not apply to an interview of a unit member during the normal course of work, counseling, instruction, informal verbal admonishment or other routine or unplanned contact with a supervisor.
- B. All unit members shall have the right to join or not to join the Employee Organization as they individually prefer. Unit members have the right to participate on behalf of or engage in activities on behalf of an Employee Organization and have the right to refrain from such activity. Unit members shall be free from any interference, restraint, or coercion by any employee, supervisor, or manager for or against Employee Organizations. Violations will necessitate disciplinary action.
- C. An exclusive Employee Organization must equally and fairly represent all employees in the unit.
- D. All unit members shall have the right to present their own grievance.

Section 1 – 5: Prohibition of Strike and Lockouts

- A. The Employee Organization and the unit members covered by this Memorandum recognize and agree that rendering of services to the community cannot under any circumstances or conditions be withheld, interrupted, or discontinued, and to do so would endanger the health, safety and welfare of the citizens of the City of Chandler.
- B. The Employee Organization pledges to maintain unimpaired municipal services as directed by the City. Neither the Employee Organization, nor any unit member, for any reason, will authorize, institute, aid, condone or engage in a slowdown, work stoppage, strike, or any other interference with the work and statutory functions and obligations of the City or the Department. During the term of this Memorandum neither the City nor its agents for any reason shall authorize, institute, aid or promote a lockout of unit members covered by this memorandum.
- C. Should any unit member during the term of this Memorandum, and until such time that it is expressly and legally rescinded breach the obligations of Section 1-5B, the City Manager or his designee shall immediately notify the Employee Organization that a prohibited action is in progress.
- D. The Employee Organization shall forthwith, through its executive officers and other authorized representatives, disavow said strike or other prohibited action, and shall notify in writing all Employee Organization members and representatives of their obligation and responsibility for maintaining compliance with this Article, including their responsibility to remain at work during any interruption which may be caused or initiated by others. Copies of such notification shall be delivered to the Office of the City Manager. In addition, the Employee Organization shall order all unit members violating this Article to immediately return to work and cease the strike or other prohibited activity. Such order shall be delivered both orally and in writing to all unit members violating this Article with copies of the written order to be delivered to the Office of the City Manager.

- E. Penalties or sanctions the City may assess against a unit member who violates this Section shall include, but not be limited to:
 - 1) Discipline up to and including discharge.
 - 2) Loss of all compensation and benefits, including seniority, during the period of such prohibited activity.
- F. Should the Employee Organization during the term of this Memorandum and until such time that it is expressly and legally rescinded, breach its obligations under this Section, it is agreed that all penalties set forth in the City Charter, shall be imposed on the Employee Organization, in addition to any other legal and administrative remedies available to the City that in its discretion it may elect to pursue.
- G. Nothing contained herein shall preclude the City from obtaining judicial restraint or from seeking damages from the Employee Organization, in the event of a violation of this Section.

ARTICLE 2: GRIEVANCE / ARBITRATION / LABOR MANAGEMENT

Section 2 – 1: Grievance Procedure

- A. Informal Resolution
 - 1) As a matter of good labor-management relations the parties encourage a unit member who believes that he has a bona fide grievance to discuss and attempt to resolve it with his immediate non-unit supervisor as designated by the City.
 - 2) If the above informal discussion is held and does not resolve the grievance, the unit member may file a formal grievance in accordance with the following procedure.
- B. Definition of Grievance
 - 1) A grievance is a written allegation by a unit member, submitted as herein specified, claiming violation(s) of the specific express terms of this Memorandum for which there is no Merit Board appeal or other specific method of review provided by State or City law.
- C. Procedure
 - 1) Step 1
 - a) 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 immediate non-unit supervisor within fifteen (15) workdays days of the initial commencement of the occurrence being grieved. The supervisor shall further consider and discuss the grievance with the grievant and the grievant's representative, if any, as he deems appropriate, and shall, within five (5) workdays of having received the written grievance, submit his response thereto in writing to the grievant. The parties by written agreement may move the grievance to Step II of the grievance procedure.

2) Step II

- a) If the written response of the immediate non-unit supervisor does not result in a resolution of the grievance, the grievant may appeal the grievance by signing and completing the City form and presenting it to his Battalion Chief within five (5) workdays of the grievant's receipt of the supervisor's response. The Battalion Chief may investigate the grievance and may set a meeting with the grievant, and the grievant's designated representative, if any, and such other personnel as he deems appropriate to consider the grievance. Within five (5) workdays of receipt of the grievance, or after the grievance meeting, the Battalion Chief shall submit his written response to the grievance to the grievant and the grievant's representative, if any.

3) Step III

- a) If the response of the second level of review does not result in resolution of the grievance, the grievant may appeal the grievance by signing and completing the City form and presenting it to the Fire Chief within five (5) workdays of the grievant's receipt of the Step II response.
- b) The Fire Chief shall hold a meeting within five (5) workdays of receipt of the grievance regarding the grievance at which the grievant shall be afforded the opportunity to fully present his position and to be represented. Within five (5) workdays of the hearing, the Fire Chief or his designee shall submit his written response to the grievant and the grievant's representative, if any.
- c) By mutual agreement, the parties may combine steps 3 and 3.5.

4) Step 3.5

- a) After the Fire Chief's decision, but prior to review by the Grievance Committee or the arbitrator, the parties involved may mutually agree to submit the grievance to the HR Director or designee. The grievance, as originally written and the attached response from the Fire Chief must be submitted to the HR Director or designee within five (5) workdays of receipt of the Fire Chief's answer. The HR Director or designee shall within ten (10) workdays of the receipt of the grievance, meet with the Fire Chief or his designee and the unit member and his representative in an attempt to resolve the grievance. The HR Director or designee shall then submit written recommendations for resolution to the unit member and Fire Chief within five (5) workdays of the meeting.

5) Step IV

- a) If the response of the Fire Chief does not result in resolution of the grievance, the grievant may, within five (5) workdays of the Step III response, appeal the grievance by signing and completing the City form and presenting it to the Grievance Committee. The Grievance Committee shall be composed of:

Chairman – A member designated by the City Manager.

Secretary – HR Director or designee.

Member – Employee Organization President or his designee.

- b) The Grievance Committee shall schedule a hearing regarding the grievance at which the grievant shall be afforded the opportunity to fully present his position and to be represented.
- c) If the grievant and the Employee Organization jointly so elect, 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 representatives, shall agree on an arbitrator, and if they are unable to agree on an arbitrator within a reasonable time, either party may request the Federal Mediation and Conciliation Service to submit to them a list of seven (7) arbitrators who have had experience in the public sector. The parties shall, within five (5) workdays 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:
 - i. The arbitrator shall be bound by the language of the Memorandum and departmental rules and regulations consistent therewith in considering any issue properly before him.
 - ii. The arbitrator shall expressly confine himself to the precise issue submitted to him and shall have no authority to consider any other issue not so submitted to him.
 - iii. The arbitrator shall be bound by applicable State and City law.
 - iv. 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.
 - v. The City Manager shall, within ten (10) workdays 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 designated representative.

D. Time Limits

- 1) Failure of City Management representatives to comply with time limits specified in Paragraph C shall entitle the grievant to appeal to the next level of review; and 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.
- E. The Employee Organization may, in its own name, file a grievance that alleges violation by the City of the rights accorded to the Employee Organization by the specific terms of Article 1 – 3 of the Memorandum. The Employee Organization shall file such grievance at Step III of the Procedure. All other grievances must be filed and signed by a unit member, subject to the provisions of this Article.
- F. Employer grievances, should they occur as a result of official Employee Organization activities or actions, including the failure to act as required under this agreement, will be presented directly to the Employee Organization President within ten (10) days of the

occurrence prompting the grievance. The President shall in each case provide a written answer within five (5) days from receipt of the grievance.

Section 2 – 2: Labor-Management Committee

It is understood by the parties that 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 unit member'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 unit member's regular work shift in pursuit of benefits provided by this Article.

- A. There shall be a Labor-Management Committee consisting of two (2) representatives of the Employee Organization and two (2) representatives of the City and the City's HR Director or designee who shall be the Chairperson. 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, when necessary, at mutually agreed upon times.
- C. If the representative of the Employee Organization is a unit member, such representative shall not lose pay or benefits for meetings mutually scheduled during duty time.

ARTICLE 3: COMPENSATION AND WAGES

Section 3 - 1: Wages

A. Pay Schedule

- 1) Engineer salary range shall start at five percent (5%) over a top of the range Firefighter.
- 2) Captain salary range shall start at five percent (5%) over a top of the range Engineer.
- 3) Unit members assigned as Paramedics shall receive compensation of fifteen percent (15%) of base Firefighter.
- 4) Unit members assigned as Special Operations shall receive compensation of seven and one-half percent (7.5%) of base Firefighter.
- 5) Unit members, eligible for Bilingual Pay in accordance with the City's Bilingual Pay Policy Program, shall continue to receive a pay incentive of \$1,200 annually (paid in 26 equal installments) for proficiency at least at an "Intermediate high" level or \$600 annually (paid in 26 equal installments) for proficiency at least at an "Intermediate low" level.

B. Merit

The City will continue the current practice of annually awarding on-going merit increases of up to 5% merit increase, effective on the first day of the pay period in which the date of the unit member's current job classification falls, until the unit member is at the top of the pay grade.

The City will not make funds available to fund on-going merit increases for FY 12/13.

For FY 13/14, merit pay will be an item of discussion as part of the Article 3 wage reopener.

C. Special Merit Pay

In recognition of continuous service and overall performance, the City agrees to the following performance pay formula for unit members:

- 1) On the unit member's date of classification (classification date) a unit member who meets the qualifications specified in this article shall receive a two (2%) percent special merit pay adjustment to be paid in two (2) equal installments with the unit member being eligible for the first installment during the pay period of the date of classification and the second installment during the pay period six (6) months after the initial payment.
- 2) Qualifications:
 - a. A Firefighter will become eligible to receive the special merit pay upon completion of eight (8) years as a Chandler Firefighter.

A Fire Engineer will become eligible to receive the special merit pay upon completion of two (2) years as a Chandler Fire Engineer.

A Fire Captain will become eligible to receive the special merit pay upon completion of four (4) years as a Chandler Fire Captain.
 - b. A unit member must have achieved the overall performance rating of "meets expectations" or better on his/her latest scheduled performance evaluation on file in the Human Resources Department.
 - c. A unit member must have performed an "added value" agreed to by the Labor/Management Committee.

D. Wage Increases

- 1) Effective July 1, 2012, salary ranges for all covered classifications will be increased by two and seven-tenths percent (2.7%). Rates of pay for all unit members will be increased by 2.7%.
- 2) In FY 13/14, salary ranges for all covered classifications will be increased by 1.62% or the amount calculated as set forth in Section 3-1 (D)(3), below, whichever is higher. Rates of pay for all individual unit members will be adjusted by the same percentage increase as the increase to the salary range. The wage increase will be implemented in accordance with Section 3-1 (D)(4).
- 3) In FY 13/14, Human Resources will complete a salary survey no later than August 1, 2013, comparing the maximum Firefighter salaries for eight (8) cities: Chandler, Gilbert, Glendale, Mesa, Peoria, Phoenix, Scottsdale and Tempe ("the Surveyed Cities") based on JIMS data and/or data obtained from the Surveyed Cities' HR Departments. At the conclusion of the salary survey, the eight cities shall be ranked in numerical order beginning with the highest and ending with the lowest maximum Firefighter salary for each jurisdiction. Human Resources shall determine the rank of the maximum Firefighter salary of the City of Chandler in comparison to the rankings of the seven other jurisdictions. If the Chandler maximum Firefighter salary is ranked at or above the fourth highest jurisdiction in the rankings, no salary or pay adjustments shall be made. If the Chandler maximum Firefighter salary is below the maximum Firefighter salary of the fourth highest jurisdiction in the rankings, the

Chandler Firefighter pay scale shall be adjusted in order that the Chandler Firefighter maximum salary after the adjustment is equal to the sum of the maximum Firefighter salary of the fourth highest (4th) jurisdiction added to the maximum Firefighter salary of the third highest (3rd) jurisdiction and then divided by two. The maximum salaries for the positions of Fire Engineer and Fire Captain shall be adjusted by the same percentage increase as the increase to the Chandler Firefighter maximum salary. Any time an adjustment is made to the maximum salary for a position pursuant to this section, the minimum salary for the position shall be adjusted by the same percentage increase as the increase to the maximum salary. Rates of pay for all unit members shall be adjusted by the same percentage increase as the increase to the maximum salary as calculated under this Section.

- 4) Any wage increase associated with a pay range adjustment shall become effective on the first day of the next full pay period after the survey data has been accepted and signed by the Association. In the event that the annual salary survey results in the Chandler Firefighter maximum salary being ranked above the fourth (4th) position Chandler pay ranges will not be decreased.

Section 3 - 2: Overtime

- A. A regularly recurring 24-day FLSA work period shall be established and will apply to unit members assigned to Operations and employed in fire protection activities (excluding those on a 40-hour per week staff assignments).
- B. The parties understand that the work period and the pay period do not coincide. They anticipate that the hours worked each 24-day work period will be stable but the hours worked in each pay period will fluctuate. Unit members' preference is to have their pay be as consistent as possible each pay period. Accordingly, unit members covered by the 24-day work period shall receive a fixed bi-weekly "salary" equivalent to [112.31] hours at the member's adjusted hourly rate of pay. The fixed salary is intended to compensate each unit member for all hours worked during each pay period. If a member does not work all of his or her scheduled duty hours during the pay period, the time scheduled but not worked shall be deducted from the member's available banks of accrued leave or compensatory time, as appropriate.
- C. Unit members shall receive additional overtime premium at the rate of one-half (1/2) of the unit member's regular rate of pay for all time worked in accordance with the established work schedule in excess of 182 hours during each 24-day work period ("Scheduled FLSA Overtime"). Members are paid an overtime premium of one-half the regular rate of pay for working the Scheduled FLSA Overtime hours because members have already received compensation for the hours at the straight time hourly rate under the fixed salary described under B, above, and 29 C.F.R. § 778.114.
- D. Unit members will be paid their overtime premium for Scheduled FLSA Overtime worked in each 24-day work period in the paycheck associated with the end of that 24-day work period.
- E. Unit members who are assigned to be and are on duty beyond their scheduled standard work shifts shall be compensated for such additional assigned overtime work at one and one-half (1 ½) times their adjusted hourly rate ("Additional Overtime"). Unit members on either the 24-day work period or the standard 40-hour workweek shall be compensated after the first seven (7) minutes of assigned and worked Additional Overtime calculated to the nearest one-quarter (1/4) hour. Additional Overtime is a bargained-for benefit under this MOU and exceeds any overtime obligation imposed by the FLSA. Additional Overtime

hours and pay are not included in the computation of the regular rate or the overtime threshold for purposes of Scheduled FLSA Overtime. Unit members will be paid for Additional Overtime in the paycheck associated with the pay period in which the Additional Overtime was worked.

- F. Paid vacation, paid sick leave, paid military leave, paid bereavement leave, holiday leave and safety day leave shall be counted as hours worked for credit toward overtime calculations.

Section 3 - 3: Call Back Pay

- A. Call back time shall be at a minimum of one (1) hour at one and one-half (1 ½) times the unit member's regular rate of pay after the first seven (7) minutes calculated to the nearest one-quarter (1/4) hour.

Section 3 - 4: Day Positions

A. Authorized Staff Assignments for Fire Captains

- 1) Unit members assigned by the Fire Chief to staff assignments in authorized staff positions (40 hours) will be entitled to 5% assignment pay if such assignment is to exceed two consecutive pay periods, and shall continue to receive such assignment pay for the duration of such assignment.
- 2) Unit members assigned to an authorized forty-hour (40 hour) staff assignment and who are receiving assignment pay in their regular assignment shall be eligible for Paramedic assignment pay and/or Special Operations assignment pay depending on the assignment.
- 3) Unit members assigned to an authorized forty-hour staff assignment will receive FLSA overtime and holiday pay in order to keep their annual pay whole.
- 4) Unit members assigned to an authorized forty-hour staff assignment will receive payment for their annual personal holiday as if they were assigned to a 56-hour workweek.

B. Light Duty Assignments

- 1) Unit members assigned to light duty, as a result of a work related injury, shall continue to receive holiday pay and FLSA overtime for the duration of their light duty assignment, irrespective of their actual work hours.
- 2) Unit members granted a light duty assignment, as a result of a non-work related illness or injury, will only receive FLSA overtime. They are not eligible to receive holiday pay.
- 3) Unit members on light duty who are receiving assignment pay in their regular assignment shall be eligible for Paramedic assignment pay and/or Special Operations assignment pay depending on the assignment.
- 4) Unit members on light duty will receive payment for their annual personal holiday as if they were assigned to a 56-hour workweek.

C. Emergency Response Assignments

- 1) Unit members assigned to an authorized forty-hour (40 hour) emergency response assignment are eligible for Paramedic assignment pay and/or Special Operations assignment pay depending on the assignment.
- 2) Unit members assigned to an authorized forty-hour emergency response assignment will receive FLSA overtime and holiday pay in order to keep their annual pay whole.
- 3) Unit members assigned to an authorized forty-hour staff assignment will receive payment for their annual personal holiday as if they were assigned to a 56-hour workweek.

Section 3 - 5: Working Out-of-Classification

- A. Unit members assigned to work out of classification for two (2) pay periods shall be paid in accordance with Personnel Rule 3, Section 5 (temporary detail).
- B. Unit members who are assigned to work as a move up Engineer or move up Captain shall be assigned an out of class assignment pay if the assignment is for 4 hours or greater.
- C. Move up Engineers assignment pay shall be five percent (5%) of the top of range Firefighter base salary. (Engineer base – top of range Firefighter pay = Engineer move up pay).
- D. Move up Captains assignment pay shall be five percent (5%) of the top of range Engineer base salary. (Captain base – top of range Engineer = Captain move up pay).

Section 3 - 6: Deferred Compensation

- A. The City shall contribute 2% of each unit members bi-weekly gross pay per pay period to the City's deferred compensation plan when the unit member contributes a minimum of \$10 per pay period into the City's deferred compensation plan.

ARTICLE 4: HOURS OF WORK / WORKING CONDITIONS

Section 4 - 1: Hours of Work

- A. For unit members assigned to Operations and employed in fire protection activities (excluding those on 40-hour per week staff assignments):
 - 1) Duty shifts shall continue to be 24 consecutive hours in duration. Each duty shift shall commence at 0800 hours and continue until 0759 hours the following day.
 - 2) The standard duty schedule shall consist of two consecutive 24-hour shifts (48 hours) on duty followed by four consecutive 24-hour shifts (96 hours) off duty ("48/96 work schedule"). Unit members on the 48/96 work schedule work an average of 56 hours per week or 112 hours per two-week pay period. The 48/96 work schedule results in 10 hour of scheduled overtime per 24-day work period. Changes to a unit member's duty schedule are within the discretion of the Fire Chief or designee.

The work hours and schedule of unit members assigned to the 40-hour schedules shall be at the discretion of the Fire Chief.

ARTICLE 5: BENEFITS

Section 5 – 1: Health Insurance

- A. Beginning with the medical plan year of January 1, 2012, the City will pay 82% and the employee will pay 18% of the cost of the monthly premium of the City's medical insurance benefit.
- B. Beginning with the medical plan year of January 1, 2013, the City will pay 80% and the employee will pay 20% of the cost of the monthly premium of the City's medical insurance benefit.

Section 5 – 2: Dental Insurance

- A. For the term of this Memorandum the City will pay 100% of the dental insurance premium for employee only coverage; 70% for employee plus one and 50% for employee plus two coverage.

Section 5 – 3: Health Insurance Trust Fund

- A. The City will contribute twenty-five dollars (\$25) per unit member, per pay period, into a fund for the purpose of providing a monthly stipend for retirees to apply to the costs of their health and/or dental insurance, medical and dental co-pays, prescriptions, cancer benefits for active members not covered by the Public Safety Retirement System's cancer insurance and other benefits as the Trustees may determine. This contribution will be matched by a twenty-five dollars (\$25) per pay period contribution to the same fund by each unit member.
- B. The trust fund shall be managed and administered by a board to be mutually agreed upon by both parties.
- C. The fund shall be invested in prudent, protected investments in compliance with applicable State and Federal laws. The Fund Managers may seek such outside advice and consultation, as they deem appropriate.
- D. The Fund Managers may adopt such rules and regulations as they deem appropriate and are authorized to secure a formal trust instrument. The City Manager and the Employee Organization must specifically approve the trust instrument, and any amendments there to before they can become effective.
- E. Sums contributed to the trust shall be divided into two (2) equal parts.
 - 1) The members contribution, together with all of the interest received from the entire fund, shall be considered the first part and shall be available for distribution as follows:
 - All retired members shall be eligible to receive an amount to be determined by an actuarial analysis on a monthly basis to assist them with their insurance premiums.
 - In each month any sums remaining in the first part, after the distributions, along with another twenty five dollars (\$25) per member per pay period, shall pour-

over into the second part and be treated as hereinafter specified for "second part funds." Second part funds other than interest generated from the funds, shall be for investment purposes only and are not to be used to provide direct benefits to active or retired members.

- A member who separates from the bargaining unit and then returns as a bargaining unit member may apply to the fund managers for membership as a fund participant. To become eligible, the member must pay to the fund an amount equal to his contributions and the City's contributions for the entire period, which he was out of the bargaining unit, but not for any time prior to the start up for the fund. This amount is in addition to regular bi-weekly contributions by the member and the City.
- In addition to health insurance premiums, the monthly stipend may also be used to pay for co-payments for doctor visits and hospital stays, dental expenses, prescriptions and eye care.

- 2) The second part shall be the main corpus of the trust and shall be invested and managed as specified in Section B of this Article.
- F. Any fund participant who separates from the bargaining unit prior to retirement, or who promotes out of the Unit shall receive an amount equal to all of his or her contributions to the fund, plus interest based on the average annual interest earned by the fund, but shall receive no other benefits and have no other claim on the fund.
 - G. Upon the death of any unit member or retiree, the fund will provide a contribution to assist with funeral expenses in the amount to be determined by actuarial analysis. A surviving spouse shall continue to receive the member's benefit for the rest of the spouse's life. Survivor benefits under this Section extend only for a surviving spouse and neither such surviving spouse nor the decedent's estate shall have any other claim on the fund.
 - H. If the trust is terminated for any reason, undistributed funds shall be distributed to those individuals (whether active or retired) who contributed to fund. Such distribution shall be on a pro rata basis based upon the amount of their contribution to the fund less any disbursements they have received under Section B hereof.
 - I. Payments to retirees from the trust fund shall be in addition to current City contributions to retiree health insurance premiums.

Section 5 - 4: Life Insurance

- A. The City's plan would pay the designated beneficiary(s) \$50,000 or an amount equal to an employee's annual salary up to \$175,000 whichever is higher, in the event of an employee's death. If an employee should lose their life in an accident, it would pay double that amount, (plus an additional 25% of their life insurance up to a maximum of \$50,000 if death were due to a motor vehicle accident and the employee was wearing a seat belt.) AD&D insurance also pays benefits if the employee loses a limb, their sight, hearing, or speech in an accident.
- B. If an employee should die from an accident while they are commuting to or from work or traveling on City business this plan would pay their beneficiary(s) \$200,000. It also includes an additional \$15,000 seat belt rider.

*Note: Actual plan documents supersede plan summaries.

Section 5 - 5: Short and Long Term Disability Insurance

- A. If an employee's illness or injury prevents them from working, this plan helps replace lost income. Provided an employee is a regular employee, they would receive 66 2/3% of their pay. The benefit begins on the later of the 60th day of disability or when all sick time has been exhausted. Benefits run through the 180th day of disability.
- B. If an employee's illness or injury prevents them from working beyond 180 days, this plan helps replace lost income. An employee would receive 66 2/3% of their pay until they are no longer disabled or eligible to retire, whichever occurs first.

*Note: Actual plan documents supersede plan summaries.

Section 5 - 6: Holidays

- A. For Unit members on a 40 hour work week schedule the following holidays shall apply:

- New Year's Day
- Martin Luther King, Jr./Civil Rights Day
- Presidents' Day
- Memorial Day
- Independence Day
- Labor Day
- Veterans' Day
- Thanksgiving Day
- Friday after Thanksgiving
- Christmas Day
- Personal Holiday

- B. Unit members working a 24-day work period shall receive 9.12 hours pay per each holiday as listed in Section 5-6 (A). In addition, unit members will be awarded 2.8 hours of holiday accrual hours.
- C. When a holiday falls on Sunday, it will be observed on the following Monday. When a holiday falls on Saturday, it will be observed on the preceding Friday.

Section 5 - 7: Vacation

- A. All full-time unit members shall earn vacation leave as outlined in the following schedule. Hours are given per pay period.

40-Hr Work Week		24-Day Work Period	
0 - < 5 years	3.7 hrs	0 - < 5 years	5.18 hrs
5 - < 10 years	4.4 hrs	5 - < 10 years	6.16 hrs
10 - < 15 years	5.1 hrs	10 - < 15 years	7.14 hrs
15 - < 20 years	5.8 hrs	15 - < 20 years	8.12 hrs
20+ years	6.5 hrs	20+ years	9.10 hrs

- B. Vacation credits shall not be allowed to accumulate in excess of 336 hours for a unit member on a 24-day work period. Hours shall become void on the first day of the pay period with a payday in February.
- C. Vacation credits shall not be allowed to accumulate in excess of 240 hours for a unit member on a forty (40) hour work week. Hours shall become void on the last full pay period with a payday in January.

- D. The Fire Chief may allow the unit member to carry over more than 336 vacation hours or its 40-hour equivalent for a maximum of 2 successive years.
- E. Unit members assigned to a 24-day work period who have accrued 336 hours leave time or unit members assigned to a 40-hour workweek who have accrued 240 hours leave time (including Vacation, Safety Day or Holiday accrual hours), and who have attained a minimum of seventeen (17) years of service, may elect to have the additional vacation leave that he/she earns from the date the unit member exercises their benefit paid to them on a bi-weekly basis for the upcoming three (3) consecutive years. Once the unit member elects to exercise this benefit, it must continue for the full three (3) consecutive year period. The unit member may receive a one-time extension for up to three (3) years if approved by the Fire Chief, the Union President, and the HR Director or designee. The employee may stop and restart this benefit one time up to a maximum of a total of six (6) years.
- F. Bargaining unit members assigned to a 40-hour workweek shall be permitted to cash in up to twenty (20) hours of vacation time and unit members assigned to a 24-day work period shall be permitted to cash in up to 28 hours of vacation time to be paid at the unit member's adjusted hourly rate. This buy-back option shall be exercised only once per year.

Section 5 - 8: Uniforms

- A. Unit members will receive six hundred seventy-five dollars (\$675.00) uniform allowance per annum. The uniform allowance will be in the form of a credit at the Fire Department's designated uniform vendor. Seventy-five (\$75.00) of the above amount may be utilized for approved safety equipment at the unit member's discretion.
- B. Unit members' uniform allowance shall receive BAF (Base Adjustment Factor) each year. BAF shall not be given when City Official designate no adjustment for entire City.
- C. At the end of the City's fiscal year, the unused portion of the member's uniform allowance shall be deposited by the City into the Firefighters Insurance Benefit Trust Fund. By mutual agreement of the Fire Chief and the Union, the deposit may be waived in any year and the unused portion would then stay in the Fire Department's budget.

Section 5 - 9: Sick Leave

- A. Every full-time unit member shall be credited 3.7 hours (40-hour work week) or 5.18 hours (24-day work period) for each completed pay period. Sick leave shall accrue with no maximum.
- B. Unit members assigned to a 24-day work period who have accrued 1,400 hours (or the 40-hour equivalent) or more of accrued and unused sick leave and who have attained a minimum of seventeen (17) years of service, may elect to have the additional sick leave that he/she earns paid to them as salary on a biweekly basis for the upcoming three (3) consecutive years. Once the unit member elects to exercise this benefit, it must continue for the full three (3) consecutive year period. The unit member may receive a one-time extension for up to three years if approved by the Fire Chief, the Union President and the HR Director or designee. The unit member may stop and re-start this benefit one time without further qualification during the six (6) years period.

Section 5 - 9A: Payment of Sick Leave at Retirement or Death

- A. A regular full-time or part-time unit member who retires from City employment through a City-affiliated retirement system, or is approved for long-term disability benefits within 180 days of separation and is eligible to retire at separation shall be compensated for all accrued sick leave at the rate of fifty percent (50%) of the accrued sick leave hours at the unit member's current base rate to be deposited into the unit member's City sponsored Retirement Health Savings Plan account.
- B. The beneficiaries of a unit member who dies prior to retirement shall receive compensation for all accrued sick leave at the rate of fifty percent (50%) of the accrued sick leave hours at the unit member's current base rate and shall receive compensation for Years of Service Pay as established by the City Manager for each of the twelve (12) month year of City of Chandler service prorated for any partial year.
- C. The beneficiaries of a unit member who dies in the line of duty shall receive compensation for all accrued sick leave at the rate of one hundred percent (100%) of the accrued sick leave hours at the unit member's current base rate and shall receive compensation for Years of Service Pay as established by the City Manager for each of the twelve (12) month year of City of Chandler service prorated for any partial year.

Section 5 - 10: Tuition Reimbursement

- A. Any unit member who has successfully completed at least six (6) months of the initial probationary period and is eligible for vacation benefits is eligible for consideration of tuition reimbursements.
- B. Courses of education or training must be in areas related to a City career field and must meet the following requirements:
 - 1) The maximum reimbursement allowed per tax calendar year is a total of \$3,200.00. The completion date of the class will determine to which fiscal year the cost will be charged. If the employee completes courses, which exceed the maximum allowable reimbursement, the employee shall be responsible for payment of the balance.
 - 2) Reimbursement shall include only tuition costs and is not authorized to cover the cost of normal academic expenses such as special fees, laboratory fees, registration fees, books, supplies and other such materials and services.
 - 3) The amount of reimbursement shall be reduced by any financial assistance the employee receives from any outside source. When applying for tuition reimbursement, the employee must indicate on the Tuition Reimbursement Application form any financial assistance received from and outside source, which the employee is not required to repay.
 - 4) Tuition costs, to the amount authorized, may be paid to the employee upon presentation of proof of tuition payment and a passing grade of "C" or higher.
 - 5) If an employee terminates from City employment for any reason within twelve months of completion of the course, the employee shall return to the City 100% of the reimbursement.

Section 5 - 11: Bereavement Leave

- A. Family Death: When a member of an employee's immediate family dies, the employee shall be granted a special leave with pay, not chargeable against any leave credits, for a period

not to exceed three workdays. Two additional days of special leave with pay may be granted if the employee must travel out of state. The Department Director shall approve this special leave with pay. If additional leave is needed, the employee must use vacation credits or take leave without pay.

- B. Death of Co-worker: Special leave of absence with pay may be granted by the City Manager to allow co-workers to attend memorial/funeral services allowing sufficient local travel time to and from service site. Such leave is not to be charged to any of the employee's accrued leave or compensatory time.

Section 5 - 12: Employee Assistance Plan (EAP)

- A. This Plan allows unit members and their family members up to 10 free visits per year per separate condition to meet with an EAP counselor.

ARTICLE 6: MISCELLANEOUS

Section 6 – 1: Saving Clause

- A. If any Article or Section of this Memorandum should be held invalid by operation of law or by 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 Memorandum shall not be affected thereby; and upon issuance of such final decree, the parties, upon request of either of them, shall meet and confer and endeavor to agree on a substitution provision or that such a substitute provision is not indicated.
- B. It is recognized by the parties that this Memorandum shall be administered in compliance with appropriate provisions of the Fair Labor Standards Act as may be amended.

Section 6 – 2: Copies of Memorandum

- A. Within sixty-days (60) of the date that this Memorandum is adopted by the City Council, the Local will arrange for printing of jointly approved copies of it for furnishing one to every unit member, unit supervisor and to management personnel. The cost of such duplication and distribution will be paid for equally by the Employee Organization and the City.

Section 6 – 3: Term and Effect of Memorandum

- A. This Memorandum shall remain in full force and effect beginning July 1, 2012 for non-economic provisions and the 1st pay period in July 2012 (7/01/12) for economic provisions, through June 2014 and thereafter shall continue in effect year-by-year unless one of the parties notifies the other in writing no later than November 1st, of its request(s) to modify or terminate it.
- B. Except as expressly provided in this Memorandum, 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. If any section or provision of this Memorandum violates existing Federal, State, or City law, then such law shall supersede such provisions or section.
- D. The lawful provisions of this Memorandum are binding upon the parties for the term thereof. The Employee Organization having had an opportunity to raise all matters in connection

with the meet and confer proceedings resulting in this Memorandum 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.

- E. This Memorandum constitutes the total and entire agreement between the parties and no verbal statement shall supersede any of its provisions.
- F. The City's rules and regulations, administrative directives, departmental rules and regulations, and work place practices shall govern employee relations unless there is a specific conflict with a memorandum of understanding approved by the City Council pursuant to the Meet and Confer Ordinance. Where a specific conflict exists, the memorandum of understanding shall govern.
- G. A memorandum of understanding cannot contradict the Meet and Confer Ordinance.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names this _____

Day of _____, 2012.

City of Chandler

Employee Organization Representative

By: _____
Mayor

By: _____
Robert Isaacson

Attest: _____
City Clerk

Approved to form:

(SEAL)

City Attorney *mm*

ATTEST: _____
