SUBJECT: AMENDMENTS TO EMPLOYEE PAY AND BENEFIT PLAN, EMPLOYEE BENEFIT TRUST FUND, EMPLOYEE RETIREMENT SYSTEM, AND THE PERSONNEL SYSTEM RULES AND REGULATIONS

SOURCE: Administrative Services/Human Resources

COMMENT: City representatives have recently concluded Meet and Confer Sessions on matters within the scope and purview of the Meyers-Milias-Brown Act with the Porterville Police Officers’ Association (PPOA), representing the Police Series Employees, and a written Memorandum of Understanding (M.O.U.) has been executed with representatives of the PPOA. The protracted M.O.U. (Multi-year Agreement) covers matters pertaining to wages, benefits and working conditions.

City Council acceptance and approval of an executed M.O.U. is most commonly demonstrated by Council authorization to change or amend, when applicable, those documents as are necessarily known to implement the points of agreement contained in the M.O.U. Additionally, Safety Management, which are not represented, are also covered by the attached Resolution which will achieve the aforementioned.

RECOMMENDATION: That the City Council adopt the attached resolution amending the Employee Pay and Benefit Plan for Fiscal Years 2004-05, 2005-06 and 2006-07, the Employee Benefit Trust Fund, the Employee Retirement System, and the Personnel System Rules and Regulations, and authorize the Mayor to execute these and other documents necessary to implement the provisions thereof.

ATTACHMENT: Draft Resolution

DCM _____ Appropriated/Funded _____ CM _____ Item No. 11
RESOLUTION NO. _____-2005

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE
AMENDING THE EMPLOYEE PAY AND BENEFIT PLAN, THE EMPLOYEE
HEALTH PLAN DOCUMENT, THE EMPLOYEE RETIREMENT SYSTEM,
AND THE PERSONNEL SYSTEM RULES AND REGULATIONS

WHEREAS: The City Council has determined and reiterated that an Employee Pay and
Benefit Plan, Classification Plan, Personnel System Rules and Regulations, Health Plan, and
Retirement Plan are essential for the proper administration of the City’s affairs, including employee
recruitment and retention, and for proper supervision of City Employees; and

WHEREAS: The City Council recognizes the necessity of amending and/or changing the
contents of such plans and regulations from time to time, and of executing instruments to
implement and to keep the provisions thereof current, and to maintain the relevancy of same; and,

WHEREAS: There has been concurrence on a Memorandum of Understanding with the
Porterville Police Officers’ Association for the period from July 1, 2004, until June 30, 2007,
covering provisions to amend the Employee Pay and Benefit Plan, the Employee Health Plan
Document, the Employee Retirement System, and the Personnel System Rules and Regulations, as
they relate to employees holding positions represented by such recognized employee organization.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Porterville
that the Employee Pay and Benefit Plan, the Employee Health Plan Document, the Employee
Retirement System, and the Personnel System Rules and Regulations, for employees holding
positions represented by the aforementioned recognized employee organization, and for
unrepresented safety management employees, is hereby amended as follows:
I. EMPLOYEE PAY AND BENEFIT PLAN.

A. WAGE INCREASE.

Effective 07-01-04, the Employee Pay and Benefit Plan, Section II, A., Position Pay Plan Schedule, shall be amended to increase the base pay for the position of Police Officer by 1%.

Effective 07-01-05, the Employee Pay and Benefit Plan, Section II, A., Position Pay Plan Schedule, shall be amended to increase the base pay for the position of Police Officer by 1%.

The base pay rate for the position of Police Officer will not be adjusted effective 07-01-06.

II. EMPLOYEE PAY AND BENEFIT PLAN AND EMPLOYEE HEALTH PLAN.

The City will continue to pay 100% of the employee only monthly contribution rate for medical, dental and vision coverage.

Effective 01-01-05 the City will pay 75% of the Police Series employees’ dependent monthly contribution rate for medical coverage, and the employee will pay 25% of said costs.

Police Series Employees who retire on or after 01-01-05 will pay 70% of the monthly contribution rate for medical coverage for themselves and for their eligible spouse; and the City will contribute 30% of said costs, for so long as timely and continuous monthly premium payments are made by or on behalf of the eligible retiree and/or by their eligible spouse. Medical Plan benefit coverage for retirees and eligible spouses will be effective until they reach the age of 65. The monthly costs shall be 102% of the established insurance premium contribution rates, and such rates are subject to change.

Rates will be reviewed annually by the City beginning in April of each year, and adjusted on the first day of July each year, or as soon thereafter as possible, according to the actuarially established contribution rates, and consistent with the percentage rates outlined above.

Effective 01-01-05, the Employee Pay and Benefit Plan, Section III., A. Health and Life Insurance, shall be amended for all Police Series employees as follows:
5. Monthly Contribution Rates

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<tr>
<th></th>
<th>City Pays</th>
<th>Employee Pays</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee/Single coverage</td>
<td>$300.00</td>
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<td>$300.00</td>
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<tr>
<td>Employee + 1</td>
<td>$450.00</td>
<td>$150.00</td>
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</tr>
<tr>
<td>Employee + 2 or more</td>
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</tr>
<tr>
<td>Retiree + Spouse</td>
<td>$180.00</td>
<td>$420.00</td>
<td>$600.00</td>
</tr>
</tbody>
</table>

III. CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (CalPERS).

_____ a.) Effective 07-01-04 the City of Porterville will pay the same portion of the employee’s share of the monthly retirement contribution of CalPERS for unrepresented Safety Management employees as other Public Safety employees, computed as a percentage of salary, i.e., 9%.

_____ b.) It is agreed that the City of Porterville will amend its contract with CalPERS, effective 07-01-06, or as soon thereafter as possible, to provide sworn Police Series employees and unrepresented Police Management employees with the 3% @ 55 Full Formula Retirement Benefit.

The City will continue to pay the employee’s share of the monthly retirement contribution, computed as a percentage of salary, i.e. 9%.

IV. EMPLOYER-EMPLOYEE RELATIONS RESOLUTION.

Employees represented by the Porterville Police Officers’ Association and the City agree that they have met and consulted on the proposed Employer-Employee Relations Resolution in compliance with the Meyers-Milias Brown Act.

V. PERSONNEL SYSTEM RULES AND REGULATIONS.

_____ A. ADVISORY ARBITRATION OF GRIEVANCES.

The City agrees to amend the City of Porterville Personnel System Rules and Regulations, Rule XIV - Complaint and Grievance Procedure, for all Police Series Employees, to wit:
4. **Grievance Procedure:**
   Any employee in the City Service shall have the right to grieve any action as defined in Rule XIV, Section 2., C, “Definition of Grievance”.

   **Step 1:** The employee shall inform his/her supervisor of the grievance and relevant facts within fifteen (15) calendar days after the employee knew, or in the exercise of reasonable diligence should have known, of the events giving rise to the grievance. Failure to complete this procedure shall bar further consideration of the grievance. At least one conference shall be held between the employee, his/her union representative, and his/her immediate supervisor within seven (7) calendar days after the employee has experienced the grievance. The immediate supervisor shall advise the employee of his/her decision within seven (7) calendar days following the conference. If the grievance is not resolved by the conference, the employee may proceed to Step 2. If the immediate supervisor is not available during this seven (7) calendar day period, the employee should meet with the next level of supervision.

   **Step 2:** In the event the grievance is not resolved in Step 1, the employee and his/her union representative shall put the grievance in writing and submit copies to his/her immediate supervisor, department head, and the Personnel Officer, not later than seven (7) calendar days. All parties willing, a conference time may be mutually agreed upon to explore the matter further within seven (7) calendar days of receipt of the written decision. At this conference, both parties may be accompanied by a representative.

   **Step 3:** Should the matter remain unresolved, the grievance may be submitted within seven (7) calendar days after written receipt of the department head’s decision to the Personnel Officer.

   **Step 4:** Upon receiving the grievance, the Personnel Officer or his/her designated representative shall discuss the grievance with the employee, his/her union representative, and all other appropriate persons. The Personnel Officer may appoint a fact-finding committee or an officer, not in the normal line of supervision, to investigate and advise him concerning the grievance. The Personnel Officer shall render a decision in writing to the employee within fifteen (15) calendar days after receiving the grievance.

   **Step 5:** In the event the Grievant or the Association is not satisfied with the result at Step 4, it may, within fifteen (15) calendar days of completion of the Step 4 proceedings, submit the grievance to advisory arbitration. The arbitration proceedings shall follow the provisions of the Voluntary Labor Arbitration Rules of the American Arbitration Association. If the grievant is satisfied with the result at Step 4, or another prior level, the Union (Association) is barred from instituting the arbitration procedures under this Agreement. If the parties do not agree on a particular arbitrator, the parties shall request a list of seven (7) arbitrators from the California State Mediation and Conciliation Services who are familiar with City Government. The parties shall alternately strike names until only one name remains. The order of striking shall be determined by a toss of a coin.
The arbitration shall be limited solely to the interpretation and application of this Agreement to the precise issue(s) submitted for arbitration. The arbitrator shall not determine any other issue(s) to the extent that the language of the Memorandum of Understanding is the same as the language of the statutory or regulatory provision. The arbitrator shall not apply an interpretation to the Memorandum of Understanding that is different from the meaning of the statutory or regulatory language, in the absence of clear bargaining history indicating that a different meaning was mutually intended.

The arbitrator shall have no power or authority to hear cases challenging any of the following:
1. The termination of services or failure to re-employ a probationary employee.
2. The placement of an employee on probationary status.
3. The termination of services or failure to re-employ any employee in a position for which extra compensation is received.
4. The contents of the employee's evaluation.
5. The City's promulgation of rules, policies.
6. A decision, action, or inaction of the City if such is required by a state and federal regulatory body or court.
7. Any grievance occurring before the effective date of this Agreement or after the expiration of this Agreement.

The arbitrator shall, as soon as possible, have a hearing on the merits of the grievance and render a written decision on the precise issue or issues submitted to arbitration by the parties.

1. If the parties cannot agree upon a submission agreement, the arbitrator shall determine the issues for the parties by referring to the written grievance and the answers thereto at each step of the grievance.
2. Where the City has made a judgment involving the exercise of discretion, the arbitrator shall review such decision solely to determine whether the decision has violated the Agreement and shall not substitute the arbitrator's judgment for that of the City.
3. The arbitrator shall not issue statements of opinion or conclusions not essential to the determination of the precise issue(s) submitted to arbitration.
4. Where there is an issue of arbitrability, the arbitrator shall hear the matter and render a decision for the parties before hearing the merits of the grievance.
5. The arbitrator shall not add to, subtract from, amend, modify, or alter any provisions or procedures contained in this Memorandum of Understanding.
6. The arbitrator's advisory award may include restitution, financial reimbursement or other proper remedy.
7. The award of the arbitrator will be submitted to the parties in writing and will set forth the findings of fact, reasoning, and conclusions on the precise issues submitted. The decision shall be rendered within thirty (30) calendar days to the City and the Association following the submission of closing briefs, unless mutually agreed otherwise by the parties to this Memorandum of Understanding and the arbitrator during the arbitration proceeding.
8. The decision of the arbitrator shall be advisory upon the parties and shall be reviewed by both parties.

Each party shall be responsible for the cost of presenting its own case to the arbitrator. The costs for the services of the arbitrator, including per diem expenses, if any, travel and subsistence expenses, the cost of a hearing room and any transcript costs will be equally shared between the parties. All other costs will be borne by the party incurring them.

**Step 6:** If the employee or the City does not agree with the decision reached by the Advisory Arbitrator, either party may present the grievance to the Grievance Appeals Board by a written request to the Personnel Officer. Such Grievance Appeals Board shall consist of one (1) Councilperson selected by the City Council, one (1) City employee appointed by the aggrieved employee and/or his/her union representative, and one (1) member of the public at large selected by mutual agreement between the member selected by the City Council and the applicable employee organization. The term of office for members of the Grievance Appeals Board shall be for the duration of the grievance. The Grievance Appeals Board shall discuss the grievance with the employee and all other appropriate persons. The Grievance Appeals Board shall determine their own hearing procedure and scheduling. The decision of the Grievance Appeals Board shall be final.

5. **General Provisions**
   A. No retribution or prejudice shall be suffered by employees making use of the grievance or complaint procedures by reason of such use.
   B. Forms for filing and processing grievances and other documents necessary under these procedures shall be available from the Personnel Office. All documents, communications, and records dealing with the process of grievances shall be filed separately from personnel files.
   C. Failure at any step of this procedure to communicate the decision on the grievance within specified time limits shall permit the aggrieved employee to proceed to the next step.
   D. The grievant shall be entitled to be present at all steps of the procedure.
   E. Beginning with Step 1, either party may be represented by a representative of his/her choosing.
   F. Failure at any step of this procedure to appeal a decision on a grievance within specified time limits shall be deemed acceptance of the decision rendered and shall constitute an irrevocable waiver of any further appeal.
   G. The time limits specified at any step in this procedure may be extended by mutual agreement.
   H. Written notices to employees, at the option of the City, may be delivered personally or by mail addressed to the employee’s last residence of record with the City.
   I. All grievances and complaints should be treated as confidential by all parties concerned, until after the final decision has been rendered.
BE IT FURTHER RESOLVED that the Mayor of the City of Porterville is hereby authorized to execute those documents as are necessary to implement the provisions hereof.

______________________________ Pedro R. Martinez, Mayor

Attest:

______________________________
Georgia Hawley, Chief Deputy City Clerk