

POSSIBLE MOTION

I MOVE TO approve the Collective Bargaining Agreement between the City and Borough of Sitka and the Alaska State Employees Association American Federation of State, County Municipal Employees (ASEA/AFSCME) Local 52, AFL-CIO and authorize the Municipal Administrator to execute the document.



City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

Coast Guard City, USA

Date: Wednesday, June 08, 2016

To: Honorable Mayor Mim McConnell and Assembly of the City and Borough of Sitka

From: Mark Gorman 
Municipal Administrator

RE: ASEA – CBS Collective Bargaining Agreement Approval

Dear Ms. Mayor and Assembly,

We have concluded negotiations with the Alaska State Employees Association (ASEA). Negotiations began March 29, 2016 with our team composed of lead negotiator Kimberly Gearity and Mark Danielson, HR Director. These negotiations with ASEA representatives concluded May 05, 2016 when tentative agreement was reached between the parties.

Attached is a reference table outlining the changes in the agreement with the central issue being wages. The agreement on wages is:

- July 1 2016: 1.5 % wage increase + \$500
- July 1 2017: 2.0 % wage increase + \$500
- July 1 2018: 1.0 % wage increase

The ASEA has ratified this agreement and the CBS bargaining team and I recommend that the Assembly approve this three-year agreement.

2016 – 2019 ASEA City and Borough of Sitka Tentative Agreement Reference Table

ARTICLE	CHANGE/NO CHANGE
Preamble	No change.
Article 1 – Recognition	No change.
Article 2 – Union Representation and Activities	No change.
Article 3 – Union Security	No change.
Article 4 – Management Rights	No change.
Article 5 – No Strike and No Lockout	No change.
Article 6 – Non Discrimination	No change.
Article 7 – Labor-Management Committee	No change.
Article 8 – Personnel Files	No change.
Article 9 – Vacancies Page 13	Language to keep departmental vacancies for hire, promotion or transfer within the bargaining unit. Departmental applicants meeting minimum qualifications receive at minimum an interview.
Article 10 – Discipline and Discharge and Resignation	No change.
Article 11 – Probationary Periods	No change.
Article 12 – Grievance Arbitration	No change.
Article 13 – Personnel Policies Page 21	Removed language referencing the non-existent CBS Rewards for Excellence Program.
Article 14 – Safety and Health	No change.
Article 15 – Occupational Injury	No change.
Article 16 – Drug-free and Alcohol-free Workplace	No change.
Article 17 – Layoff Pages 24-26	Department Head, City Administrator and City Assembly decide work to be eliminated in layoff situation within a department. Length of service, possibility of transfer and demotion to another position for which employees are qualified are considerations. Seniority is the determining factor if two or more employees do the same work. Two weeks of severance pay language added in addition to wages owed. If the position is re-established, the employee is subject to recall for a two-year period. Laid off employees are given the opportunity for interviews for any CBS positions for which they are qualified during the two-year recall period.
Article 18 – Hours, Overtime, Premium Pay, Shifts and Breaks	No change.
Article 19 – Holidays	No change.
Article 20 – Time Off Page 31	Up to 16 hours of donated vacation time to the sick leave bank are credited toward an Employee's mandatory yearly usage upon the Employee's written request.
Article 21 – Travel	No change.

2016 – 2019 ASEA City and Borough of Sitka Tentative Agreement Reference Table

ARTICLE	CHANGE/NO CHANGE
Article 22 – Working Out of Job Classification Page 34	Notification in writing to employees indicating who will serve as the temporary supervisor in the regular supervisor’s absence.
Article 23 – Wages Page 35	July 1 2016: 1.5 % wage increase + \$500 July 1 2017: 2.0 % wage increase + \$500 July 1 2018: 1.0 % wage increase
Article 24 – Health Insurance	No change.
Article 25 – Retirement	No change.
Article 26 – Education Reimbursement Page 37	New Article – Upon approval of Department Head, reimbursement for tuition and other educational costs for job-related courses. Passing grade of “C” required.
Article 27 – Contracting Out Pages 37-38	New Article – Requires CBS to give ASEA and the City Assembly notice of any intent to contract out work. Provides 20 calendar days for ASEA to respond with a letter of intent to propose alternatives to keep the work. Gives ASEA 45 calendar days to devise alternatives for cost savings or improved services as counter proposal to keep the work. No RFP will be issued until after the Union’s proposal is received and considered.
Article 28 – Savings Clause	No change.
Article 29 – Zipper Clause	No change.
Article 30 – Duration Pages 39-40	Duration of contract for 3 years from July 1, 2016 – June 30, 2019.
Letter of Agreement Page 41	Provides for Water and Wastewater classification and pay study considering increases for specialized certifications held by incumbent employees.

COLLECTIVE BARGAINING AGREEMENT

BETWEEN THE

CITY AND BOROUGH OF SITKA



AND THE

**ALASKA STATE EMPLOYEES ASSOCIATION
AMERICAN FEDERATION OF STATE, COUNTY
MUNICIPAL EMPLOYEES (ASEA/AFSCME)
LOCAL 52, AFL-CIO**



July 1, 2016 – June 30, 2019

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Preamble

This Agreement is made by and between the City & Borough of Sitka, Alaska (the Employer) and the Alaska State Employees Association/American Federation of State, County and Municipal Employees (ASEA/AFSCME) Local 52, AFL-CIO ("ASEA"), covering the Employees in the General Government Unit consistent with the Sitka General Code. The policy and purpose of this Agreement is to promote harmonious and cooperative relations between government and its Employees and to protect the public by ensuring orderly and effective operations of government.

Article 1 - Recognition

The Employer recognizes the Union as the sole and exclusive bargaining representative for the purpose of negotiating wages, hours, and other terms and conditions of employment for all regular full-time and part-time Employees in the General Government Unit ("GGU") certified by the Sitka Employment Relations Board.

Article 2 - Union Representation and Activities

2.01 Union Staff Representatives

Union representatives who are not Employees shall be authorized to speak for the Union in all matters governed by this Agreement and shall be permitted to visit work areas with prior notice to and approval by the Department Head responsible for the work area to be visited. The Union shall provide a list of names of the Union Representatives to the Employer.

2.02 Stewards

A. The Union may authorize up to six (6) Stewards. The Union shall provide a list of names of the Stewards to the Employer.

B. Stewards are expected to perform Union business during non-work time or while using the ASEA business leave bank. However, Stewards shall be allowed to handle potential or actual grievances under this Agreement during working hours without loss of pay so long as such time does not interfere with their regular work assignments and responsibilities. Release from work to perform Steward duties shall be pre-approved by the Employee's immediate Supervisor and will not be unreasonably denied. Time spent performing Steward duties during work time shall

be recorded on the Employee's time sheet as Steward duties.

C. Stewards shall be allowed to post Union information on bulletin boards and may distribute Union information to other Employees covered by this Agreement in non-work areas and during non-work time.

2.03 Meeting Space

Meeting space in buildings owned or leased by the Employer may be used for Union meetings provided the request is approved by the Employer.

2.04 Bulletin Boards

The Employer shall provide bulletin boards and/or designated space on existing bulletin boards at each work location. The designated bulletin boards or space shall be for the sole and exclusive use of the Union.

2.05 Union Use of the Employer's Email System

A. Union Representatives, Union Officers, and Stewards may use the Employer's computer system to communicate with the Employer or Union regarding issues affecting the General Government Unit or the application or interpretation of this Agreement.

B. The Union may use the Employer's email system for broadcast distribution of the following information to its members with a copy to the Municipal Administrator:

Meeting notices
Election or ratification notices

The Union may also distribute the Union's newsletters via the Employer email; however, the newsletter shall be sent to the Municipal Administrator, or designee, at least twenty-four (24) hours in advance.

C. The Union understands that any emails exchanged or distributed under this Section are not private and may be subject to the Employer's inspection. In the event the Union abuses its rights under this Section, the Employer reserves the right to deny the Union any access to the Employer's email system at any time during the life of this Agreement.

2.06 Union Business Leave

A. The parties agree to establish a Union Business Leave Bank which shall be administered by the Employer. A monthly report of the balance and withdrawals from the Bank shall be provided to the Union.

B. Donations

1. As a condition of employment and upon written authorization by a newly hired Employee, eight (8) hours of vacation leave shall be transferred from the Employee's vacation leave once it equals eight (8) hours or more.

2. At any time any Employee at their option may transfer vacation leave in at least one (1) hour increments to the Bank. Transfers may be made at any time during the duration of the Agreement with no maximum limit of the number of increments except that an Employee may not transfer more increments of vacation leave than are posted to the Employee's vacation leave balance at the time of the transfer request. The Employee's leave balance will be reduced by the amount of leave transferred to the Bank.

3. Upon written request from the Executive Director of ASEA/AFSCME Local 52, the Employer shall transfer up to four (4) hours at the start of each fiscal year from each Employee's vacation leave account to the Union Business Leave Bank.

C. All leave assessments to the Union Business Leave Bank will be converted to its dollar value at the rate of pay of the Employee from whom the leave was received. Those dollars (with benefit costs) shall be placed in the Union Business Leave Bank. When business leave is authorized by the Union, dollars will be withdrawn from the Union Business Leave Bank equal to the hourly rate (with benefit costs) of the Employee utilizing the leave times the hours of leave taken.

D. Use of Union Business Leave

1. The Union Business Leave Bank may be used for contract negotiations and formulation, meetings, conventions, training sponsored by the Union, attendance at arbitration or other hearings as witnesses for the Union and any other like purposes as may be determined by the Union.

2. Only the Executive Director, or designee, may authorize use of the Union Business Leave Bank in accordance with the following procedures:

- a. The Employee is responsible for obtaining permission for taking time off in accordance with vacation time off procedures.
- b. Once permission for the time off is granted, the leave slip shall be presented to the Union Executive Director, or designee, for approval.
- c. If approved, the Union shall sign the leave slip where designated and return the leave slip to the Employee.
- d. The Employee submits the leave slip with their timesheet.

E. All vacation leave transferred to the Bank is final and not available for re-credit to an individual's vacation leave account.

F. Should there be insufficient money available through the leave bank, the Employer shall approve vacation leave or leave without pay for purposes listed in D.1.

G. The release of Employees for Union Business Leave purposes shall be handled on the same basis as release from duty for vacation leave. Such approval shall not be unreasonably withheld by the Supervisor.

H. Time spent on Union Business Leave shall not be considered hours worked for overtime purposes.

Article 3 - Union Security

3.01 Noninterference

The Employer agrees that it will not in any manner directly or indirectly attempt to interfere between any Employee and the Union. It will not in any manner attempt to restrain any Employee from belonging to the Union or from taking an active part in Union affairs, and it will not discriminate against any Employee because of Union membership or activity, upholding Union principles, or working under the instruction of the Union or serving on a committee, provided that such activity is not contrary to this Agreement.

3.02 New Employee Orientation Notification

The Union shall provide the Employer with information regarding the Union and membership or agency fee obligations to be included with the new Employee orientation packet. The Employee is responsible to contact the Union.

3.03 Agency Shop

A. The Union owes the same responsibility of representation to all General Government Unit (GGU) Employees without respect to membership in the Union.

B. From the effective date of this Agreement through the expiration date, all Employees covered by this Agreement shall, as a condition of continued employment, either become a member of the Union or become an agency fee payer. The Union dues/agency fee will be an amount set by the Union. Payment of Union dues or agency fees shall commence no later than thirty (30) calendar days after the date of hire.

C. Upon written request by the Union Executive Director to the Employer, an Employee who has been employed for more than thirty (30) calendar days and who is not complying with the agency shop provisions of this Agreement shall be dismissed by the Employer.

3.04 Payroll Deductions

A. Upon receipt by the Employer of an Authorization for Payroll Deduction of Union Dues/Fees dated and executed by the Employee which includes the Employee's Social Security number, the Employer shall each pay period deduct from the Employee's wages the amount of the Union membership dues or agency fee owed for that pay period. The Employer will forward the monies so deducted to the Union together with a list of Employees from whose wages such monies were deducted not later than the tenth (10th) day of the following calendar month. The Employer shall deduct from an Employee's wages only that amount of money that the Union has certified in writing is the amount of dues or agency fees.

B. If, for any payroll period in which the Employer is obligated to make deductions pursuant to this Section, the wages owed an Employee after mandatory deductions are less than the authorized dues or fees to be deducted pursuant to this Article, the Employer shall make no deduction from wages owed the Employee for that payroll period. Payment of dues or agency fees for that pay period shall be made by the Employee directly to the Union.

C. The Union Executive Director shall notify the Employer in writing of any increase or decrease in authorized dues or agency fees at least thirty (30) calendar days prior to the effective date.

3.05 Information Supplied to the Union

A. The Employer shall provide the Union with a current list of Employees once per pay period at no cost to the Union. This list shall include the Employee's name, Social Security number, Employee number, organizational routing code, department, location, and termination date or last date in pay status, if applicable. The list will also itemize and show any regular deductions made and forwarded to the Union.

B. Not later than Wednesday following each pay day the Employer shall furnish to the Union without cost a report showing all personnel transactions adding to or deleting Employees from the bargaining unit.

C. The Union specifically agrees that all information provided shall be used only for purposes related to the execution of the Agreement, that the Union shall be responsible for the protection and security of information provided, and that the Union shall assume liability which may result from any improper disclosure or use by the Union of information provided.

Article 4 - Management Rights

The Union recognizes that any and all rights, not in conflict with this Agreement, concerned with the management of the Employer and the direction of the Employees shall be vested exclusively with the Employer. Management rights and responsibilities shall include, but are not limited to, the right to:

- A. Determine the overall mission and purpose of the Employer;
- B. Maintain and improve the efficiency and effectiveness of the City to provide its citizens and taxpayers with adequate and reliable municipal services.
- C. Determine and alter the services to be rendered, the operations to be performed, the technology to be utilized, or the matters to be budgeted and the priorities therefore;
- D. Determine the overall methods, processes, means, and personnel by which the work of the Employer is to be conducted;
- E. Relieve Employees from duties or reduce the workforce because of lack of work or funds or under conditions where the Employer determines that continued work would be inefficient or nonproductive;
- F. Recruit, examine, select, promote, transfer and train personnel of its choosing, and determine the times and methods of such actions.
- G. Develop and modify class specifications, assign the salary range for each classification, and allocate positions to those classifications.
- H. Assign and direct the work; determine the methods, materials and tools to accomplish the work; designate duty stations and assign personnel to those duty stations.
- I. Discipline, suspend, demote, or dismiss Employees for just cause.
- J. Adopt policies, rules, regulations, educational programs, safety programs and any other measures not in conflict with this Agreement, necessary to assure the efficient and effective operations of the Employer.

Article 5 - No Strike and No Lockout

The Union agrees that during the life of this Agreement, neither the Union nor its agents or Employees will authorize, instigate, aid or engage in any work stoppage, refusal to

work or strike against the Employer. The Employer agrees that during the life of this Agreement there will be no lockout.

Article 6 - Non-Discrimination

Both the Employer and the Union agree to comply with all applicable federal, state and local laws prohibiting discrimination. Neither the Employer nor the Union will discriminate against any Employee on the basis of race, sex, religion, color, marital or parental status, age, national origin, mental or physical disability, sexual orientation, or any other status protected by federal, state or local law.

Article 7 - Labor-Management Committee

The parties agree to convene a labor-management committee as needed to discuss issues affecting the General Government Unit Employees. The committee shall include up to three (3) management team members and up to three (3) team members from the Union. Meetings shall not exceed three (3) hours, unless mutually agreed to otherwise. A request to hold such a meeting shall be sent in writing to either the Human Resources Director or the President of the Sitka ASEA chapter. Meetings will convene not later than thirty (30) days after receipt of such notice unless agreed to otherwise. There shall be no more than three (3) labor-management committee meetings under this article each calendar year unless agreed to otherwise.

Article 8 - Personnel Files

8.01 Employee Access

- A. Employees shall have access to their personnel file in Human Resources upon reasonable notice and at reasonable times.
- B. Employees may request a copy of any document in their personnel file.
- C. Employees may also submit job-related documents to be added to their personnel file with the approval of the Human Resources Director which shall not be unreasonably denied.

8.02 Union Access

- A. Upon receipt of written authorization from an Employee, a designated Union Representative, Union Officer, or Steward will have the right to inspect the Employee's personnel file upon reasonable notice and at reasonable times.

B. Upon receipt of written authorization from an Employee, the Union may request copies from the Human Resources Director of documents from an Employee's personnel file. The Employer reserves the right to charge the Union the cost of such copying.

C. The Union Representative, Union Officers and Stewards understand and agree that all information contained in an Employee's personnel file is confidential. The Union Representative, Union Officers and Stewards will handle such confidential information in a manner to ensure the Employee's right to privacy is protected.

8.03 Removal of Documents

An Employee may request a disciplinary action in the Employee's personnel file be removed after twelve (12) months, and once every calendar year thereafter. Such requests must be in writing submitted to the Human Resources Director. Removal of any disciplinary actions is subject to the approval of the Municipal Administrator.

Article 9 - Vacancies

9.01 Whenever a vacancy occurs in a position the Employer intends to fill in the bargaining unit, a notice of such vacancy shall be posted on bulletin boards and electronic bulletin boards normally used for communicating with Employees.

9.02 The Employer shall post vacancies internally at least five (5) working days prior to external advertisements.

9.03 Upon posting, Employees may apply for the position in writing for a period of not less than ten (10) working days.

9.04 When there are current, qualified Employees within the **bargaining unit** interested and available for the **Department** vacancy, the Employer shall endeavor to hire, promote, or transfer from within the existing work force. Where applicants' qualifications are the same, as determined by the Employer, the applicant with the most Department seniority shall be selected.

9.05 Any current Department bargaining unit member **who meets the minimum qualifications set forth in the job description and** who applies for a vacancy within the Department shall at a minimum receive an interview during the hiring process.

Article 10 - Discipline and Discharge and Resignation

10.01 Discipline and Discharge

- A. The Employer shall not discipline or discharge an Employee without just cause.
- B. The Employer shall normally utilize progressive discipline to correct Employee misconduct. However, the Employer reserves the right to issue any level of discipline in its discretion based on the severity of the offense.
- C. Any discipline imposed upon a regular Employee may be processed as a grievance through the grievance procedure, so long as the Employee has completed the Employer's initial probationary period.
- D. An Employee has the right to request and receive Union representation during any investigative interview in which the Employee reasonably believes the interview could lead to discipline or discharge.
- E. Employees and the Union shall receive a copy of any written disciplinary action that is placed in the Employee's personnel file.

10.02 Resignation

- A. To remain in good standing, an Employee who intends to terminate service with the Employer should submit a written resignation to the Employer's immediate Supervisor stating the Employee's last date of employment. Resignation notices shall be submitted as early as possible, but at least two (2) weeks before the final work day unless mutually agreed otherwise by the Employer.
- B. A copy of the Employee's resignation shall be filed in the Employee's personnel file.
- C. At the Employer's option, the resignation may be accepted upon receipt and the Employee will be relieved of all duties immediately. In such circumstances, the Employee shall receive full pay and benefits for the notice period up to two (2) weeks.
- D. An Employee may request in writing to their Department Head that their resignation be rescinded within 48 hours after it has been submitted. The Municipal Administrator, or designee, after recommendation by the Department Head, shall decide whether the Employees request shall be granted.

Article 11 - Probationary Periods

11.01 New Employees

Every new regular Employee shall serve a six-month probationary period (180 consecutive days of service from date of hire) during which time the Employee may be terminated at the sole discretion of the Employer without right of appeal. All probationary Employees shall accrue service credits and seniority during the probationary period. An Employee's probationary period may be extended by mutual Agreement between the Employer and Union.

11.02 Promoted or Transferred Employees

Current regular Employees who are promoted or transferred to a different position shall serve a three-month (90 consecutive days from date of promotion or transfer) probationary period. If the Employee's performance in the new position is unsatisfactory in the Employer's sole discretion or at the Employee's choosing, the Employee may be returned to their previous position if vacant or to another vacant position so long as the Employee is qualified for that position. This employment action shall not be construed to be a demotion or disciplinary action requiring just cause.

Article 12 - Grievance Arbitration

12.01 Informal Resolution

Differences between Employees and the Employer should be resolved as quickly and satisfactorily as possible. To achieve this goal, Employees are expected to discuss any differences with their immediate Supervisor as soon as possible after they are aware of the event leading to the difference and prior to the filing of a grievance. Supervisors are similarly expected to be responsive to such discussion. Resolutions that may be reached during this informal process may not conflict with this Agreement or applicable written laws or regulations.

12.02 Definition of Grievance

A grievance shall be defined as any controversy or dispute involving the application or interpretation of the terms of this Agreement.

12.03 Exclusive Procedure

A. The Union or the aggrieved Employee or Employees shall use the following procedure as the sole means of settling grievances unless mutually agreed otherwise.

B. This procedure shall not be available to probationary Employees during their initial probationary period if the Employee is discharged. Probationary Employees may

appeal a discharge by filing a written notice with the Municipal Administrator. The Municipal Administrator's decision will be final.

C. Letters of instruction and performance appraisals that do not affect the Employee's pay status are not subject to this grievance procedure.

12.04 Time Frames

A. Any grievance, whether individual or a class action, must be brought to the attention of the Employer, consistent with the procedures set forth in this Article, within fifteen (15) working days of the effective date of the disputed action or inaction or the date the Employee is made aware of the action or inaction, whichever is later.

B. All grievances resulting from dismissal, demotion for cause, or a single suspension in excess of thirty (30) calendar days shall be entered into the procedure at Step Two. Such grievances shall be brought to the attention of the Employer within fifteen (15) working days of the action or knowledge thereof.

C. If the Employer fails to render a decision in the allotted time frame, the grievance may be advanced to the next step of the procedure by the Union. Any grievance not filed by the Union according to the procedures and time frames in Section 4 shall not be entitled to further consideration unless mutually agreed to otherwise.

D. Allotted time frames may be extended by written mutual agreement.

- Deadlines for submission of a grievance at Step Two and above shall be counted from the date of receipt of a response from the Employer, or the date the response is due, whichever is earlier.
- Date of receipt of a grievance or response shall be either seven (7) calendar days following date of postmark, the date of a signed verification of receipt through the US Mail or in person, a faxed copy with date of receipt noted on it, or a copy of an email transmission showing date sent.
- All mailed material relating to Steps Two, Three, and Four of a grievance shall be accomplished through a proof of receipt method. Postmarks shall be relied on to satisfy the time frames in this Article.

E. Union Representatives may file an initial grievance at an advanced step of the grievance procedure with the prior written approval of the Municipal Administrator.

12.05 Grievance Procedures

A. Grievances shall be processed on forms provided by the Union. The grievance shall state the facts giving rise to the grievance, the provisions of the Agreement that have been violated, and the remedy requested.

B. Class Action Grievances

A class action grievance is a situation which affects two (2) or more Employees in the same manner. Class action grievances shall be submitted by the Union Representative to the Department Head, or if the Employees are from different departments, to the Municipal Administrator. Class action grievances must identify each individual grievant by name, job class and department to the extent possible.

C. Grievance Steps

STEP ONE:

a) Within fifteen (15) working days of the disputed action or inaction, or the date the Employee is made aware of the action or inaction, whichever is later, the aggrieved Employee, Union Representative, or Steward, may submit a grievance in writing to the Employee's first level Supervisor outside of the bargaining unit.

b) The Supervisor shall respond to the grievance in writing within fifteen (15) working days after its presentation. Copies of the Supervisor's response shall be provided to the Employee and Union.

c) The Supervisor may resolve the matter so long as such resolution is consistent with this Agreement and the law, subject to the approval of the Municipal Administrator. Resolutions at Step One contrary to this Agreement or the law may be reopened through written notice to either party and re-filed for reconsideration at Step Three below.

STEP TWO:

a) Failing to settle the grievance at Step One, the grievance will be submitted by the Union Representative or Steward to the Department Head in which the grievant is employed within fifteen (15) working days after the response from Step One is due or received whichever is earlier. The Department Head shall respond in writing to the Union within fifteen (15) working days after receipt of the appeal.

b) If the first level Supervisor is the Department Head and the grievance is not resolved at step one, Step Two shall be skipped and the grievance filed at Step Three.

STEP THREE:

Failing to settle the grievance at Step Two, the appeal will be submitted by the Union Representative in writing to Municipal Administrator within fifteen (15) working days after the response from Step Two is due or received, whichever is earlier. The Municipal Administrator shall respond in writing to the Union within fifteen (15) working days after receipt of the grievance.

STEP FOUR:

Any grievance which is not settled at Step Three may be submitted by the Union to arbitration. This demand for arbitration must be sent via US Mail to the Municipal Administrator in writing within twenty (20) working days after the response from Step Three is due or received whichever is earlier. The Union shall state specifically which article(s) and section(s) the Employer may have violated and the manner in which the violation is alleged to have occurred. The Union shall contact the Employer to select an arbitrator within twenty (20) working days after receipt of the demand for arbitration.

12.06 Board of Arbitration

A. Within thirty (30) calendar days of the signing of this Agreement, the Employer and Union will jointly request from the U.S. Federal Mediation and Conciliation Service (FMCS) the names of thirty (30) qualified arbitrators from California, Washington, Oregon, Idaho, or Alaska. From the list of arbitrators the Employer and Union shall alternately strike from the list one (1) name at a time until eleven (11) names remain on the list. This list of eleven (11) arbitrators shall be used by the parties to select individual arbitrators for hearings. This section does not preclude the parties from compiling a mutually agreeable list without the assistance of FMCS.

B. When an arbitration becomes necessary to resolve a dispute, the parties will select the arbitrator by alternately striking one (1) name at a time from the list of eleven (11) until only one (1) name remains on the list. The parties will alternate on striking the first (1st) name. The name of the arbitrator remaining on the list shall be accepted by the parties as the arbitrator, and arbitration shall commence on a mutually acceptable date. Alternatively, the parties may select an arbitrator by mutual agreement.

C. Pre-submission meeting. No later than seven (7) working days prior to the scheduled arbitration meeting, the parties shall exchange information and attempt to agree on the phrasing of the question(s) to be submitted to the arbitrator. Each party

shall inform the other of any witnesses it intends to present testimony at the hearing and whether or not either party intends, if known, to file a post-hearing brief.

12.07 Authority of the Arbitrator

A. Question as to whether a matter is arbitrable shall be decided by the arbitrator. The arbitrator shall make a preliminary determination on the question. Once a determination is made that the matter is arbitrable, the arbitrator shall then proceed to hear the merits of the dispute.

B. The parties agree that the decision or award of the arbitrator shall be final and binding. The arbitrator's function is to interpret the Agreement and is limited to considering the particular issue(s) set forth in the written grievance and responses. The arbitrator shall have no authority to rule contrary to, amend, add to, subtract from or eliminate any of the terms of this Agreement. The arbitrator shall have no power to modify a penalty or other management action except by finding a contractual violation. The arbitrator shall not award or grant any right, privilege, or benefit to the Union or Employees not provided for by this Agreement.

C. The arbitrator shall be requested to provide a written decision and award within 30 working days of the hearing's completion or after receipt of post-hearing briefs, unless the parties consent to a longer time.

D. Each party shall bear its own expenses associated with the arbitration. The arbitrator shall assign his/her fees and expenses to the losing party, i.e., either to the Union or to the Employer; if there is no losing party, the fees and expenses shall be apportioned by the arbitrator between the parties. The parties shall use their best efforts to minimize the costs of any arbitration.

E. A grievant shall be allowed to attend the arbitration proceeding without loss of pay. If the grievance is a class action, the Union may designate one of the grievants to represent the class at arbitration without loss of pay. Witnesses, who are employed by the Employer, may participate in arbitration without loss of pay for time required to testify at the hearing. Union officers or Stewards who want to attend the arbitration will be required to use ASEA business leave bank.

Article 13 - Personnel Policies

The City's Personnel Policies Handbook as adopted by Ordinance does not apply to any Employee covered by this Agreement unless specifically referenced otherwise in this Agreement or as listed below.

13.01 Nepotism

No Employee may be employed in a position supervised by another family member. If an Employee and their Supervisor should marry, the Employer shall elect which Employee may continue with the department and which Employee shall terminate or transfer, if other positions are available. Family members, for purposes of this paragraph, shall include spouse, father, mother, brother, sister, child, and the same relationship by in-law.

13.02 Personal Business

An Employee is expected to conduct personal business outside the Employee's work hours. Personal calls during the Employee's work hours are discouraged. Breaks, meal periods, and leave are available for an Employee to use for personal business.

13.03 Safety Policy

All Employees covered by this Agreement shall be expected to comply with the City's Job Safety Policy found in Attachment B of the Personnel Policies Handbook so long as such policy does not contradict the provisions found in Article 14 of this Agreement.

13.04 Anti-Harassment Policy

All Employees covered by this Agreement shall be expected to comply with the City's Sexual Harassment and Anti-Harassment Policy found in Attachment D of the Personnel Policies Handbook.

13.05 Email and Internet Policy

All Employees covered by this Agreement shall be expected to comply with the City's E-Mail and Internet Policy found in Attachment E of the Personnel Policies Handbook.

13.06 Performance Evaluations

An Employee's performance shall be reviewed annually on the Employee's anniversary date.

13.07 Other Employment

Occupations or outside activity, which are incompatible with employment with the City or adversely affects the performance of the Employee's job duties with the City are prohibited.

13.08 Gifts and Gratuities

An Employee shall not accept a gift, gratuity, consideration or extraordinary favor from any person doing business, or likely to do business with the City and shall immediately report to their Department Head any offer, promise or suggestion that such a gift be made. This prohibition does not apply to the giving of ceremonial gifts of nominal value or gifts received from an Employee's family or ordinary circle of friends when not offered for an actual or perceived corrupt purpose.

~~13.09 Rewards for Excellence Program~~

~~Employees covered by this Agreement are entitled to participate in the Rewards for Excellence Program provided for in Section 21 of the Personnel Policies Handbook.~~

13.09 Training

Each Department Head shall develop and conduct such practical training programs as are suited to the special requirements for the Department. Training programs shall particularly emphasize accident prevention, Employee safety and public relations.

Article 14 - Safety and Health

14.01 Employer Responsibilities

The Employer shall comply with applicable federal and state occupational safety laws and regulations and industry standards. The Employer shall make every effort to provide a safe and healthful work place.

14.02 Employee Responsibilities

Each Employee is required to act with due care and regard for his own safety and that of his fellow Employees. All Employees shall comply with applicable federal and state occupational safety laws and regulations and industry standards. Employees shall not knowingly or negligently expose or subject themselves or others to unsafe working conditions.

14.03 Refusal to Work Under Unsafe Conditions

It shall not be grounds for discipline if an Employee refuses to work under conditions posing an immediate danger of death or serious bodily injury.

14.04 Safety and Health Committee

The Union and Employer agree to establish an ASEA Safety and Health Committee upon request in writing by either party. The ASEA Safety and Health Committee shall

meet upon written notice to the other party but not more often than quarterly to discuss safety-related issues. The committee shall consist of two management representatives and two representatives from the Union.

14.05 Tools and Equipment

The Employer agrees to furnish and maintain in safe working condition all tools and equipment required to carry out the duties of each position. Employees are responsible for reporting any unsafe condition or practice and for properly using and caring for the tools and equipment furnished by the Employer.

14.06 Protective Clothing

Protective apparel required by the Employer shall be provided and cleaned by the Employer.

14.07 Employer-Designated Clothing or Uniforms

If the Employer designates specific clothing or uniforms for the Employees to wear while performing work for the Employer, the Employer shall provide the clothing or uniforms.

Article 15 - Occupational Injury

15.01 Duty of the Employee to Report

It shall be the duty of each Employee to immediately report any and all accidents or work-related illness or injury to the immediate Supervisor.

15.02 Salary While Off Duty

The Employer shall pay the difference between what an Employee receives under Worker's Compensation and the Employee's regular earnings for up to three (3) months as well as for the three-day waiting period prescribed by Alaska statutes.

15.03 Position Held Open

In the case of an occupational injury, the Employer will, when feasible, hold the Employee's position open for up to six (6) months following the injury, or until a competent physician, following a physical or mental examination, has certified that the Employee will be unable to return to the former position, whichever occurs earlier.

15.04 Definition – Occupational Injury

Occupational injury shall have that meaning used to define "injury" in the Alaska

Worker's Compensation Act.

15.05 Contested Occupational Injuries

In the event of a controversy whether the Employee's injury is an "occupational injury," the Employer shall not be required to pay the benefits set forth in this Section until the Alaska Worker's Compensation Board has reached a final determination, following all appeals, that the injury is an "occupational injury." If found to be an "occupational injury," payment of benefits set forth in this section shall be made within ten (10) working days after the Employer receives notice of the final decision.

Article 16 - Drug-Free and Alcohol-Free Workplace

16.01 Influence of Intoxicants at the Workplace

Employees are expected to report to work on time in appropriate mental and physical condition for work. Employees are not to report to work under the influence of intoxicants (alcoholic beverages or illegal drugs) and shall not consume, use, or possess intoxicants at any time during their scheduled workday, on the Employer's property, or in any Employer vehicle. The unlawful, manufacture, distribution, dispensation, possession, or use of a controlled substance on Employer premises or while conducting Employer business off premises is absolutely prohibited. Grounds for discharge shall include but not be limited to an Employee reporting to work at above the legal limit for intoxication set forth in state law.

16.02 Alcohol and Drug Screening Test

If any Supervisor or Department Head has reasonable cause to believe that an Employee has reported to work under the influence of intoxicants or after an accident involving injury or property damage, the Supervisor or Department Head, has the right to require the Employee submit to an alcohol or drug screening test at the Employer's expense. The failure of an Employee to submit to an alcohol or drug screening test shall be grounds for discipline up to and including discharge. The results of the alcohol or drug test shall not be used by the Employer for any purpose other than to determine adherence to Employer policy, to discipline an Employee whenever necessary, and to comply with local, state, and federal laws.

16.03 Alcohol and Drug Dependency

The Employer and Union recognizes alcohol and drug dependency as a major problem. The Employer and Union also recognizes drug abuse as a potential health, safety and security problem. The Employer and Union agree to work together whenever necessary to assist Employees who may have an alcohol or drug dependency problem.

Employees needing help in dealing with such problems are encouraged to use the Employer's Employee Assistance Program.

16.04 Use of Over-The-Counter or Prescribed Legal Drugs

No Employee shall be subject to discipline for the recommended use of over-the-counter or the prescribed use of legal drugs for the treatment of illness or injury. However, if the Employee knows or should know that use of an over-the-counter or prescribed drug does or could impair the Employee's ability to perform the Employee's job duties or operate an Employer vehicle or equipment, the Employee shall promptly notify the Employee's immediate Supervisor.

16.05 Reporting a Conviction

An Employee shall, as a condition of employment be required to give the Human Resource Director written notice within five (5) working days of any criminal conviction involving illegal drug activity, driving while intoxicated (DUI), or for any other criminal or moving violation that results in a loss of the Employee's driver's license.

16.06 Commercial Drivers License Holders

Employees who are required to hold a commercial driver's license ("CDL") as a condition of employment shall be also subject to additional drug and alcohol testing requirements set forth in federal law.

Article 17 - Layoff

17.01 Layoff Order

A. No regular Employee shall be laid off while there are temporary Employees performing the same work as determined by the Employer.

B. There shall be two layoff lists: part-time and full-time by Department. The Employer reserves the right to determine which list shall be utilized if layoffs become necessary.

~~C. Employees shall be laid off in reverse order based on Department seniority.~~

C. The Department Head, subject to approval by the Municipal Administrator and the Assembly, shall decide what work shall be eliminated in a layoff situation within their Department. Consideration shall be given to the length of service of employees affected and the possibility of transferring or demoting the Employee to be laid off to another position for which they are qualified. If two or more employees perform the same work, the employees(s) with the lowest department Seniority shall be laid off.

1. Department Seniority shall be determined based on the length of time an Employee has been employed by a specific department.

2. Departments for purposes of this Article are Harbors, Library, Public Works, Assessor, Harrigan Centennial Hall, Finance, and IT.

17.02 Layoff Notice

In the event an Employee is to be laid off, the Employee shall be given at least thirty (30) calendar days written notice of such lay off and two (2) weeks of severance pay in addition to whatever wages are due.

17.03 Bumping Rights

A. If a full-time Employee is given a layoff notice pursuant to Section 17.02, and the Employee has more seniority than a part-time Employee in the same Department, the full-time Employee, if qualified, may move to the part-time position in lieu of layoff.

1. Within ten (10) working days after receipt of layoff notice, the full-time Employee must provide the Department Head written notice of intent to move to the part-time position.

2. Pay Rates and Benefits

a. If the full-time Employee bumps into a different job classification, the full-time Employee shall be paid at the part-time hourly rate of the incumbent with pro-rated benefits. The Employer may offer a higher hourly rate of pay based on qualifications and years of service with the City.

b. If the full-time Employee bumps into the same job classification, the full-time Employee shall maintain their hourly rate but have all benefits pro-rated.

c. The part-time Employee shall be laid off.

B. If a full-time Employee is given a layoff notice pursuant to Section 17.02 and the Employee has more seniority than any full-time employee in the same department, the Employee, if qualified, may move to a position held by the least senior employee in lieu of layoff. If not qualified, the senior Employee may then move to the next position held by the next least senior employee, repeating until all qualified positions held by less senior employees are exhausted.

17.04 Recall Rights

An Employee's name shall remain on the layoff list for a period of two (2) years and subject to recall if the position from which they were laid off is re-established. Employees laid off shall be considered and given an opportunity to interview for any vacancy that arises during the two (2) year recall period so long as the Employee is qualified.

Article 18 - Hours of Work, Overtime, Premium Pay, Shifts, and Breaks

18.01 Hours of Work

A. Department Heads shall determine the hours of work, the workdays and work week, the work schedules including shift assignments, and work periods of all Employees.

B. The regular workweek shall consist of five (5) days at eight (8) hours per day, or upon approval of the Department Head, four (4) days at ten (10) hours per day. Part-time Employees schedules shall be established consistent with Section 4.1 (b) of the Personnel Policies Handbook.

C. Employee(s) may request a flexible schedule regarding hours of work (flextime) or days of work (alternate work schedule). Establishment of such flextime or alternate work schedule must be approved by the Department Head.

18.02 Overtime

A. All overtime work must have the prior approval of the Department Head except in an emergency. The Department Head shall review and approve overtime for payment.

B. Employees shall be paid at one and one-half (1½) times their regular rate of pay for all hours worked in excess of forty (40) hours a workweek

C. All work performed on the consecutive seventh (7th) day shall be paid at double time so long as the Employee has forty-four (44) hours of work recorded on the time sheet preceding the seventh (7th) day.

D. Overtime shall be distributed as equally as possible among qualified Employees who normally perform the work in which the overtime is needed.

18.03 Call-Out Time

A. Regular Employees who are called out to work outside of their regular work shift shall receive a minimum of two (2) hours of "call-out pay" calculated at one and one

half times the Employee's regular rate of pay or for all hours worked, whichever is greater.

B. Employees are eligible to be paid for one call-out during any two (2) hour period, even if the Employee is called out more than once during the same two (2) hour period.

C. If an Employee is required to be on unscheduled duty for more than four consecutive hours and for every four consecutive hours of continuous duty thereafter, the Department will furnish them a meal and a half-hour at the overtime rate to eat or the Employee may be compensated for meals at the Employer's per diem rate and receive a half-hour at the overtime rate for each meal they did not stop to eat.

18.04 Standby Pay

A. When the Employer instructs an Employee to remain available for work in a "standby" status after regularly scheduled work hours, on scheduled days off, or on holidays, the Employee shall receive \$3.50 per hour for each hour the Employee is on standby status. Standby pay is only paid for actual hours in standby status. Standby pay shall not be paid for regular hours worked, overtime, or call-out. Employees on standby status will be required to respond ready-to work within 30 minutes.

B. When emergency work is required, the Employee on stand-by status will be called in.

18.05 Shift Differential Pay

A. Shift differential shall be paid to Employees assigned to work evening and night shifts.

1. Evening Shift is 4 p.m. to midnight and shall be paid \$1.00 per hour in addition to the regular wage.

2. Night Shift is midnight to 8 a.m. and shall be paid \$1.50 per hour in addition to the regular wage.

3. In no case will this differential be considered the permanent rate of pay.

B. An Employee who works for two (2) or more hours beyond their regular shift shall be entitled to the appropriate shift differential for all hours worked after the end of the Employee's regular shift.

C. If an Employee is called in to work for four (4) or more hours of an evening or night shift, the Employee shall be paid shift differential pay for all hours worked on that shift.

18.06 Notice of Change in Work Schedule or Shift Assignment

The Employer shall provide ten (10) working days written notice to the affected Employees prior to making changes in their work schedule or shift assignment except in an emergency such as weather, or when mutually agreed upon between the Employer and the affected Employee.

18.07 Breaks

A. Rest Periods. Employees normally shall have two rest periods of not more than fifteen (15) minutes each approximately halfway during the first and second half of their work day subject to the approval of the Employee's immediate Supervisor.

B. Meal Periods. Work schedules shall normally provide for the workday to be interrupted at approximately the mid-point for an unpaid meal period of at least thirty (30) minutes and not more than one (1) hour as scheduled by the Employee's immediate Supervisor after consultation with the Employee.

Article 19 - Holidays

19.01 Designated Holidays

A. All Employees covered by this Agreement shall have nine (9) paid holidays per year to be observed on the following days:

New Year's Day	January 1
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Alaska Day	October 18
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Christmas Day	December 25

and such other days as may be proclaimed by the Municipal Administrator. Veteran's Day may be taken the day after Thanksgiving if approved by the Employee's Supervisor in writing in advance of November 11.

B. All Employees employed on January 1 of each year of this Agreement shall receive twenty (20) hours for floating holidays to be used on or before December 31 of each calendar year.

C. A holiday shall consist of eight (8) hours off with pay for all regular full-time Employees except for part-time regular Employees, for whom holiday hours shall be accrued and used based upon the ratio of time worked compared to a full-time

Employee (FTE) as listed in the current fiscal year's budget book.

19.02 Observance of Holidays

A designated holiday will be observed on the calendar day on which it falls, except as follows. If the holiday falls on an Employee's first regularly scheduled day off, it will be observed on the preceding day. If the holiday falls on the Employee's other scheduled day off, it will be observed on the first work day following the holiday.

19.03 Holiday Worked Compensation

- A. All hours worked on a holiday shall be compensated at one and one-half times the Employee's regular rate of pay.
- B. All hours worked on a holiday shall be counted toward hours worked for overtime purposes.
- C. No additional time off or pay will be granted for a holiday worked.

Article 20 - Time Off

20.01 Vacation

A. All regular full-time Employees covered by this Agreement shall accrue vacation at the following rate. Regular part-time Employees shall accrue vacation on a ratio of the hours they work to a forty (40) hour week.

Years of Service	Accrual Rate Per Month	Accrual Rate Each Year	Mandatory Yearly Usage
0 year through 3 rd	8.67 hours	104 hours	40 hours
4 th year through 7 th	12.67 hours	152 hours	80 hours
8 th year through 10 th	16.67 hours	200 hours	120 hours
Start of 11 th year	20.67 hours	248 hours	120 hours

- B. No vacation will accrue while on leave-without-pay.
- C. Vacation shall be taken with authorization of the immediate Supervisor and shall be paid at the current rate of pay. Employee requests for time off under this Section shall be granted based on operational needs, and shall not be unreasonably denied.
- D. Vacation shall not accrue and may not be taken prior to six (6) months of continuous satisfactory service, but after six months of employment, vacation time shall accrue retroactive to the date of employment.

E. Vacation accrued but not taken shall accumulate to a maximum of not more than 560 hours as of June 30 of each year. Any hours in excess of 560 shall be paid on the check issued in the first full pay period of the fiscal year.

F. When a holiday falls when an Employee is on vacation, the Employee shall be paid for the holiday without a deduction from accrued vacation.

G. Accrued vacation will be paid to Employees upon termination after six (6) months of service.

H. Each fiscal year, Employees with more than one hundred twenty (120) accrued vacation leave may receive payment for all or part of vacation leave in excess of one hundred and twenty (120) hours. The leave balance shall be reduced accordingly. Such payment does not eliminate the mandatory leave use requirements set forth in this Section. Conversion payments are limited to twice each calendar year.

I. An Employee may request an advance of their vacation pay if they are going to be absent for more than ten (10) consecutive days and during which time a payroll is paid. The request to payroll must be made at least five (5) working days before the Employee's vacation is to begin and must include the signature of the Employee's immediate supervisor. Otherwise, Employees shall receive their pay check on regular scheduled pay days while on vacation.

J. The Employer shall remind each Employee in writing not later than April 1 of the need to use mandatory vacation time off and an accounting of time off used by the Employee between July 1 and March 31 of current fiscal year. Employees who do not use their mandatory time off as required shall forfeit the remaining balance of their unused mandatory time off as of June 30 of each calendar year. When operational needs do not allow an Employee to take the required time off, the Municipal Administrator may extend the time to use mandatory leave. An extension does not waive the following year's mandatory leave usage requirement.

20.02 Sick Leave

A. Regular full-time Employees shall accrue sick leave at the rate of ten (10) hours for each calendar month of employment. Regular part-time Employees shall accrue sick leave on a ratio of the hours they work to a forty (40) hours week. No sick leave will accrue while on leave- without-pay.

B. Sick leave accrual shall be capped at a maximum of 720 hours. There shall be no accrual after the cap has been reached; accrual will resume once the Employee's sick leave balance is less than 720 hours for regular Employees.

C. Sick Leave Bank

1. When an Employee has exhausted his or her accrued sick and vacation

leave, the Employee may apply for leave from the sick leave bank consistent with Section 9.11 of the Personnel Policies Handbook.

2. Employees may donate to the sick leave bank by donating in increments of eight (8) hours, first vacation leave and then sick leave. Sick leave contributions to the sick leave bank may not exceed forty (40) hours in any calendar year. There is no cap on vacation leave contributions during a calendar year.

3. Up to sixteen (16) hours of donated vacation time to the sick leave bank shall be credited toward an Employee's mandatory yearly usage upon the Employee's written request.

D. Employees are responsible to notify their immediate Supervisor or the Department Head as soon as possible prior to the beginning of the Employee's shift if they are to be absent.

E. Sick leave shall be paid at the Employee's current rate of pay and may be used for the Employee's illness or injury. Up to 120 hours of sick leave may be used or for the illness or injury of the Employee's immediate family members each calendar year. Up to 40 hours of sick leave may be used for a death in the Employee's immediate family. "Immediate family" for purposes of this section includes the Employee's spouse, children, parents, siblings, parents-in law, grandparents, or grandchildren.

F. The Employer may require a certificate from a medical provider confirming the absence was due to illness or injury for three days or more or to provide a fitness to return to duty for any absence. If an Employee is absent due to illness or injury for more than 10 days in a 12 month period, the Employer reserves the right to require the Employee provide a certificate for every absence.

G. When a holiday falls when an Employee is on sick leave, the Employee shall be paid for the holiday without a deduction from accrued sick leave.

H. Employees shall be eligible for a sick leave benefit from date of hire. Sick leave will be granted to the Employee commencing on the first day of illness.

I. Sick leave has no cash value, and will not be cashed out upon termination.

20.03 Family and Medical Leave

The Employer shall grant family and medical leave consistent with both the Federal and State Family and Medical Leave Act effective the first day of the authorized leave as provided in Section 9.10 of the Personnel Policies Handbook.

20.04 Leave Without Pay

Leave without pay shall be permitted consistent with Section 11 of the Personnel Policies Handbook.

20.05 Military Leave

Employees shall be eligible for military time consistent with federal (USERRA) and state law (AS 39.20.340) governing military time off.

20.06 Court Leave

Employees shall be eligible for court leave consistent with Section 13 of the Personnel Policies Handbook.

20.07 Time Off to Vote

Employees shall be granted a reasonable amount of time off to vote if the polls are not open before or after the Employee's shift begins or if the Employee is unable to take the Employee's meal period off to vote.

20.08 Time Off for Certification

When required or requested by the Employer, Employees shall be granted time off with pay to obtain the required or requested certification, accreditation, or licensure.

Article 21 - Travel

21.01 Travel Requests

Prior to the payment of any travel advance or commencement of official travel, a travel request will be completed by the Employee. The request will be approved by the Employee's Department Head and authorized by the Municipal Administrator. Travel requests must indicate the itinerary; mode of travel; lodging costs, if known; whether or not use of a rental car is authorized; and, amount and nature of authorized registration fees. Travel requests will also indicate if per diem is requested and whether or not reimbursement for actual costs is requested.

21.02 Travel by Common Carrier Reimbursement

Reimbursement shall be allowed for the lowest fare for the most direct route by a common carrier unless authorized otherwise by the Municipal Administrator.

21.03 Lodging Reimbursement

While traveling on official business and away from home or designated posts of duty, an Employee will be reimbursed for the actual cost of lodging which is reasonable and necessary.

21.04 Meal Reimbursement

A. An Employee may receive a per diem rate up to \$61.00 for meals as follows:

Midnight	to	10:00 a.m.	Breakfast	\$10.00
10:00 a.m.	to	3:00 p.m.	Lunch	\$19.00
3:00 p.m.	to	Midnight	Dinner	<u>\$32.00</u>
			Total	\$61.00

B. To be eligible, an Employee must be in travel status during a meal allowance period for three (3) consecutive hours. The first day and last day of travel will be prorated as shown above.

C. In the event meals are provided in the registration fee or agenda at training or a conference, per diem for meals shall not be paid. However, upon return, an Employee may submit a written explanation why the Employee did not eat the meal(s) provided at the training or conference along with a receipt for such meal(s) and so long as the above-noted requirements are met, the Employee shall be paid the per diem rate for the meal(s) expensed.

21.05 Transportation Expenses

A. Rental car expenses will be reimbursed on an actual cost incurred basis so long as such rental car is authorized in an Employee's travel request. Reimbursement for a rental car will not exceed the lowest rate for an economy class rental unless approved by the Department Head. Employees required to rent a vehicle in the performance of their official duties for the Employer shall be covered by the Employer's insurance.

B. All other transportation costs will be reimbursed based on actual costs incurred.

21.06. Receipts Required

Except for per diem paid in advance for meal reimbursement, receipts will be required for reimbursement of all other costs incurred while traveling.

21.07 Registration Fees

Registration fees will be paid or reimbursed on an actual cost incurred basis when authorized in an Employee's travel request.

21.08 Travel Advances

A. Prior to traveling on official business, an Employee may request an advance of per diem.

B. Travel advances must be requested at least two weeks prior to the date travel is to commence. The Municipal Administrator may grant exceptions to this requirement.

21.09 Use of Private Vehicles

Employees shall not normally be required to use the Employee's personal vehicle for Employer business. If a situation arises where an Employee must use the Employee's personal vehicle, the Employee shall be reimbursed for mileage at the current IRS rate. Reimbursement for actual costs of ferry fare, bridge, road and tunnel tolls, shall be paid.

21.10 Employee Responsibility

Employees shall be responsible to reimburse the Employer for travel advances in excess of actual expenses (with the exception of meal reimbursement) or personal expenses charged to the Employer's credit card within thirty (30) days after travel has ended. Reimbursement for costs incurred by the Employee may be delayed or future travel advances denied until the Employee reimburses the Employer under this paragraph.

Article 22 - Working Out of Job Classification

22.01 Temporary Working in a Higher Classification

When an Employee is temporarily required to perform work in another higher classification for EIGHT (8) or more hours, the Employee shall be paid the higher rate for all hours worked in the higher classification. Such assignment shall be designated in writing by the Employee's immediate Supervisor and submitted with the Employee's timesheet to payroll. **In the event a Supervisor is absent, the Employees shall be notified in writing who shall serve as the temporary supervisor in their absence.**

22.02 Temporary Transfer to Lower Classification

No Employee will suffer a reduction in pay by reason of the Employee's temporary transfer to a job carrying a lower pay classification.

22.03 Job Classification Review

If an Employee believes the Employee's position is improperly classified, the Employee may submit a written request for a job classification review to the Director of Human Resources with a copy to the Department Head. If, after review and consultation with

the Department Head, it is determined by the Director of Human Resources that the position should be reclassified based on the job duties performed any pay adjustment shall be made retroactive to the date of the request. Nothing in this Section precludes the Director of Human Resources from determining that the Employee is working out of class but directing the Employee through the Department Head to perform the work of the original job classification instead of reclassifying the positions.

Article 23 - Wages

23.01 Wage Increases

A. Effective July 1, 2016, all Employees covered by this Agreement shall be given a one and one-half percent (1.5%) pay increase. Employees shall also receive a Five Hundred Dollars (\$500.00), less applicable taxes, lump sum not later than the second pay period in July 2016.

B. Effective July 1, 2017, all Employees covered by this Agreement shall be given a two (2.0%) pay increase. Employees shall also receive a Five Hundred Dollars (\$500.00), less applicable taxes, lump sum not later than the second pay period in July 2017.

C. Effective July 1, 2018, all Employees covered by this Agreement shall be given a one percent (1.0%) pay increase.

23.02 Probationary Period Increase

Employees who satisfactorily complete their probationary period shall receive a 2.5% increase in their starting wage.

23.03 Determining Wage Rates for Various Personnel Actions

A. The Employer shall determine the starting wage for any new hire in its sole discretion.

B. The Employer shall determine the wage for any promotion of an Employee covered by this Agreement. Upon promotion, the Employee shall receive a minimum increase of five percent (5%) effective on the date of the promotion.

C. When an Employee's position is reclassified and the reclassification results in a reduction in pay, the Employee's current pay rate shall not be reduced. If it is reclassified and the reclassification results in a pay increase, the Employee's wage rate shall be determined consistent with paragraph B above.

D. When an Employee applies for and is hired into a different position with the City at a lower pay rate, the Employee's wage shall be reduced. The Employer and the

Employee shall determine the pay rate for the transferred position.

E. The Employer shall notify the Union in writing within thirty (30) days after any personnel action is taken under this Section.

23.04 Direct Deposit

All Employees are encouraged to authorize in writing direct deposit of their paychecks.

23.05 Severance Pay

When an Employee with a regular appointment in good standing is laid off, the Employee is entitled to severance pay of two (2) weeks regular pay in addition to whatever wages are due. In the event of termination by death, his or her heirs, assigns, or estate shall be entitled to this severance pay.

Article 24 - Health Insurance

24.01 Full time regular Employees may enroll in the Employer group health insurance plan with the Employer paying 90% of the Employees' and dependents' health insurance premium. The Employee shall pay the remaining 10% of the health insurance premium through payroll deduction.

24.02 The Employer will pay a portion of the cost of health insurance premiums for part-time regular Employees, based on a ratio of the hours they actually work in a forty-hour workweek.

24.03 The Employer shall notify and meet with the Union regarding any proposed changes to the insurance benefits prior to such changes becoming effective. It is the intent of the City to continue to provide overall health insurance benefits equal to or greater than the plan in place on July 1, 2009 unless budget constraints require otherwise during the life of this Agreement.

Article 25 - Retirement

25.01 State Retirement System

The Employer is a participant in the State of Alaska Public Employees Retirement System (PERS) effective January 1, 1970. Coverage is mandatory for all FULL-TIME AND PART-TIME REGULAR EMPLOYEES who are not temporary Employees and who are not retirees under PERS who have been allowed by PERS to waive participation in PERS while being re-employed with a PERS Employer. Details regarding retirement

benefits and the retirement system may be obtained from the Human Resources office, City and Borough of Sitka.

25.02 Supplemental Benefits System

The Employer is a participant in the Supplemental Benefits System – Annuity Plan (SBS–AP). Coverage is mandatory for all full-time and part-time regular Employees who are not temporary Employees and who are not retirees under PERS. The Employer will match the Employee contribution up to the maximum limit.

Article 26 - Education Reimbursement

Upon application to and approval of their Department Head, an employee may be reimbursed for tuition or other educational costs for job-related courses or courses taken as part of a job-related degree program. Approval must be granted in writing in advance of the Employee taking any such courses in order to receive reimbursement. Reimbursement shall be made upon receipt of proof of a passing grade of “C” or better.

Article 27 – Contracting Out

27.01 The Employer retains the right to contract out services provided by the Employer after analyzing its operation for the purpose of identifying cost-saving opportunities or improved service to the citizens of Sitka.

27.02 Employer Notification of Intent to Contract Out

A. If the Employer develops a plan to contract out which includes a proposal to layoff bargaining unit employees, the Employer shall provide the Union with written notice after the Municipal Administrator approves the plan.

B. The notification shall include information upon which the Employer based its decision to contract out the work including but not limited to the total cost savings anticipated by the Employer. Such information may include, but is not limited to, wages, benefits, and administrative costs. The Employer shall at the same time notify the Assembly of its intent to contract out work.

C. The notification shall be sent to the Union prior to issuing any Requests for Proposals (“RFP”) seeking bids on the proposed work to be contracted out.

27.03 Union Response to Employer Notification

A. The Union will have twenty (20) calendar days from the date of the notification in which to submit a letter of intent to submit a written proposal to the proposed contracting out of bargaining unit work. If the Union fails to send to the Municipal Administrator a written letter of intent under this paragraph within the twenty (20) calendar days from the date of the notification, the Employer may proceed to issue the RFP seeking bids on the proposed contracted out work.

B. If the Union submits a letter of intent to submit a proposal, the Union will have a total of forty-five (45) calendar days from the date of the Employer's notification to submit a written proposal to the Municipal Administrator. The Union's proposal shall identify cost-savings or improved services to be considered as alternatives to the Employer's plan to contract out work that displaces bargaining unit members. No RFP shall be issued until after the Union's proposal is received and considered.

27.04 Once the Employer makes a decision to contract out work that will result in the displacement of bargaining unit members, it will make a good faith effort to place the displaced Employees in other City and Borough positions. In the event layoff is required, it shall be made in accordance with the layoff provisions of this Agreement.

27.05 The decision by the Employer shall be final and binding and not subject to the Grievance Procedure of this Agreement.

Article 28 - Savings Clause

Should it be decided by decree of judgment of any court of competent jurisdiction that any article, section or provision herein is rendered invalid by reason of any existing or subsequently enacted statute, ordinance or other law, the invalidation of such article, section or provision will not affect the remaining portions hereof and such other parts and provisions will remain in full force and effect. Upon the invalidation of any article, section or provision hereof, the parties will meet and negotiate the parts and provisions concerned within thirty (30) days from the date the fact of such invalidation is communicated to them; provided, however, that the parties may mutually agree to extend the time for such negotiations.

Article 29 - Zipper Clause

29.01 This Agreement sets forth all of the terms, conditions and understandings between the parties hereto and there are no terms, conditions or understandings, either oral or written, between them other than as herein set forth. No subsequent alternation, amendment, change or addition to this Agreement shall be binding on the parties hereto unless reduced to writing and signed by them.

29.02 The parties acknowledge that during the negotiations which resulted in this Agreement. each had the unlimited right and opportunity to make demands and proposals with respect to any subject matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties are set forth in this Agreement. The parties further understand that they have agreed to meet about any subjects relating to this Agreement and other matters of mutual concern during the term of this Agreement when requested. However, nothing in this Section obligates a party to reach agreement or to change this Agreement with

respect to any subject or matter specifically referred to or covered by this Agreement. This Agreement replaces and supersedes all prior oral and written understandings, agreements, and policies otherwise referred to or covered by this Agreement and concludes all collective bargaining for the duration of the Agreement. Nothing in this Section relieves either party of their legal obligation to bargain in good faith with respect to mandatory subjects of bargaining.

Article 30 - Duration

This term of this Agreement shall be from **July 1, 2016 through June 30, 2019**, and thereafter from year to year, provided, however that either party may give the other party written notice of its desire to effect changes to the Agreement. Such written notice shall specify the particular Articles in which changes are desired, and shall be served upon the other party not more than one hundred and eighty (180) days and not less than one hundred twenty (120) days prior to the end of the initial period of the Agreement or any annual extension thereof. The parties agree to meet to schedule negotiations within thirty (30) days after receipt of such notice. Nothing herein will preclude the termination, modifications or amendment of this Agreement at any time by written mutual consent of the parties.

This Agreement shall become effective on the date of signing unless specified otherwise in the Agreement or in writing by the parties.

This Agreement is entered into this _____ day of _____, 2016.

Mark Gorman
Municipal Administrator

Jim Duncan
ASEA Executive Director

Kimberly K. Gearity
Sitka Chief Labor Negotiator

Shawn McLeod
ASEA Sitka CNC

_____ Mark
Danielson
Sitka Human Resources Director

Steve Stiles
ASEA Sitka CNC

Dan Berland
ASEA Sitka CNC

Angela Schieler
ASEA Sitka CNC

Tom Climo
ASEA Sitka CNC

Sam Rhodes
ASEA Spokesperson

Lizzie Solger
ASEA Bargaining Team Business Agent

Reber Stein
ASEA Bargaining Team Information Officer

**LETTER OF AGREEMENT
BETWEEN THE
ALASKA STATE EMPLOYEES ASSOCIATION
REPRESENTING THE
GENERAL GOVERNMENT UNIT
AND THE
CITY AND BOROUGH OF SITKA**

The parties agree and understand that the Employees who are currently assigned to the Water and Wastewater job classifications are required to hold certain specialized certifications in order to perform the work. The parties also agree and understand that it is in the best interest of the City and Borough of Sitka to compensate Employees for such certifications when they provide value or services. Given the changes in technology and operations in Water and Wastewater, advanced certifications over and above what is currently minimally required by have such value or provide additional service to the community.

Consequently, the Employer agrees to conduct a classification and pay study of the Water and Wastewater job classifications to determine which certification is required and necessary, which is desired, and that which does not add value or service. A written analysis of the study shall be completed not later than September 30, 2016, with a copy to the Union. If after the study is completed, pay adjustments are recommended for incumbents for certifications currently held, the Employer shall notify the Union to establish a letter of agreement implement pay adjustments.

Mark Gorman
Municipal Administrator

Jim Duncan
ASEA Executive Director