

Agreement Between

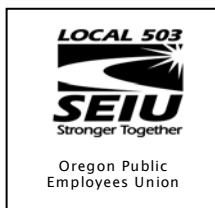
the

City of Cannon Beach

and

**SEIU Local 503, Oregon Public Employees Union
City of Cannon Beach Local 921**

July 1, 2007 through June 30, 2011



SEIU Local 503, Oregon Public Employees Union, Headquarters,
PO Box 12159, Salem OR 97309

503-581-1505 or 1-800-452-2146 Fax: 503-581-1664

www.seiu503.org

City of Cannon Beach, 163 E Gower St., PO Box 368,
Cannon Beach, OR 97110
503-436-1581

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COLLECTIVE BARGAINING AGREEMENT

ARTICLE 1 - PURPOSE AND RECOGNITION

The City of Cannon Beach, hereinafter called the "City" or the "Employer", recognizes the Service Employees International Union, Local 503, OPEU, hereinafter called the "Union", as the sole and exclusive bargaining agent for:

The City of Cannon Beach, as defined by Certification of Representative C-129-82, to wit: All classified employees of the City of Cannon Beach, excluding all supervisory and confidential employees of the City of Cannon Beach as defined by ORS 243.650, et seq.

The parties agree that the contract shall not be construed to give the classified unit, C-129-82, the right to interest arbitration.

The parties have a fundamental interest in the development of harmonious and cooperative relationships. The City desires to make City service attractive as a career and to encourage each employee to give his/her best service to the City. The employees desire to be efficient and productive and to give their best service to the City.

ARTICLE 2 - MANAGEMENT RIGHTS

Except as otherwise specifically limited by the terms of this Agreement, the City retains all the customary, usual and exclusive rights, decision making, prerogatives, functions and authority connected with or in any way incident to its responsibility to manage the affairs of the City.

Without limitation, but by way of illustration, the exclusive prerogatives, functions and rights of the City shall include the following:

1. To determine the services to be rendered to the citizens of the City.
2. To determine and to follow the City's financial, budgetary and accounting procedures.
3. To direct and supervise all operations, functions and policies of the departments in which the employees in the bargaining unit are employed.
4. To close or liquidate any office, branch, operations or facility or combination of facilities, or to relocate, reorganize or combine the work of divisions, offices, branches, operations or facilities so long as such action is not in violation with the provisions of this Agreement or implemented in an arbitrary, capricious or discriminatory manner.

5. To manage and direct the work force, including but not limited to, the right to determine the methods, processes and manner of performing work; the right to hire, promote, demote, and retain employees; the right to determine schedules of work; the right to purchase, dispose of and assign equipment or supplies.
6. To determine the need for a reduction or an increase in the work force and to implement such decision.
7. To establish, revise and implement standards for hiring, classification, promotion, quality of work, safety, materials and equipment.
8. To implement new and to revise or discard, wholly or in part, old methods, procedures, materials, equipment, facilities and standards.
9. To assign shifts, workdays, hours of work and work locations.
10. To designate and to assign all work duties.
11. To determine the need for and the qualifications of new employees, transfers, and promotions.
12. To suspend, discharge or take other proper disciplinary action against employees.
13. To determine the need for additional educational courses, training programs, on-the-job training and cross-training and to assign employees to such duties for such periods to be determined by the City, not to exceed sixty (60) working days per occurrence.

ARTICLE 3 - UNION RIGHTS

Section 1. New Hires. The City will notify the Union of all new hires within one (1) week after their having been employed, furnishing the Union with the employee's name, employee identification number, mailing address and position for which he/she was hired.

Section 2. Bulletin Boards. The City agrees to furnish and maintain a bulletin board to be used by the Union for the posting of notices and bulletins relating to the Union. All items so posted will bear the signature of an official of the Union.

Section 3. Union Solicitation. Except as otherwise provided in the Agreement, during their working hours Union members shall not engage in solicitation for membership in the Union, the collection of fees or dues for the Union, or carry on other business activities of the Union; provided that this provision shall not prohibit conversations concerning Union matters which do not interfere with the work and duties of any City employee.

Section 4. Seniority. Employees shall acquire three (3) types of seniority:

- a) Employment seniority (length of service with the City);
- b) Departmental Seniority (length of service within the department); and
- c) Job Title Seniority (length of service in current position).
- d) For the purposes of this Agreement, seniority will be based upon continuous service. Continuous service for the City shall be defined as service for the City without a break due to resignation or termination.

Section 5. Union Stewards. The Union shall designate and provide the City, with a list of authorized Union Stewards, a maximum of one (1) per department and shall update the list as necessary. A union steward shall be granted time off without loss of pay to represent employees in grievance matters in Steps 1 and 2 of the Grievance Procedure, to attend investigatory interviews at the request of a member of the bargaining unit, and to attend labor-management meetings related to the administration of this contract, provided such activity does not interfere with the regular work routine. The Local may utilize up to ten (10) hours of union time on duty in order to investigate potential grievances. Such time will be logged by the employee and recorded as “union time” on the time sheet. A stewards seeking to engage in activities on “union time” will notify the supervisor in advance and obtain authorization for this activity at a mutually agreed time.

Section 6. City facilities may be used for Union activities according to current building use policies, when such facilities are available and prior approval has been obtained.

Section 7. The internal business of the Union will be conducted during non-duty hours.

Section 8. Union Leave. The official union delegate designated in writing by SEIU Local 503, OPEU, and a member of the Local 503 Board of Directors, shall be granted personal leave, accrued vacation leave, accrued compensatory time, or an unpaid leave of absence, in order to attend the Union’s General Council once every two (2) years. The Union shall notify the City of the name of a delegate and/or Director who will attend the General Council at least thirty (30) days in advance if possible, and if not, then as much notice as possible. The City shall endeavor to grant such leave, and the grant of such leave may be subject to operational need.

ARTICLE 4 - UNION SECURITY

Section 1. Fair Share.

- a) All employees covered by the terms and conditions of this Agreement shall become members of the Union or shall make payments in-lieu-of-dues (fair share payment) to the Union. The Employer shall notify all newly hired employees of this requirement at the time of employment.

- b) Bargaining unit members, who exercise their right of non-association only when based on a bona fide religious tenet or teaching of a church or religious body of which such employee is a member, shall pay an amount of money equivalent to fair share assessments to a non-religious charity or to another charitable organization mutually agreed upon by the employee and the Union. Such payment shall be remitted to that charity by the employee and this fact certified by the employee to the Employer and the Union within fifteen (15) calendar days of the time dues or fair share payments would have been taken out of the employee's paycheck. If an employee fails to provide certification to the Employer by the fifteenth (15th) day, the Employer shall resume dues or fair share deductions until such notice is provided.
- c) Fair share payments shall be deducted from the wages of non-member employees in accordance with ORS 243.672(1)(c). The aggregate deductions of all fair share payers shall be remitted together with an "itemized reconciliation" (defined in Section 2(d)) to the Union no later than the fifth (5th) working day of the month following the month for which the fair share deductions were made.

Section 2. Dues Deduction.

- a) Applications for Union membership shall first come to the Union. The Union will submit copies of the membership applications received by the Union before the tenth (10th) of the month to the Employer. For all membership applications submitted by the Union to the Employer on or before the twentieth (20th) of the month, dues deductions shall be made for the month in which the application is submitted.
- b) Dues will continue to be deducted until the employee rescinds the request in writing to the Union. All such written requests for membership cancellation received by the Union before the tenth (10th) of the month shall be transmitted by the Union to the Employer by the twentieth (20th) of the month. Upon receipt of a copy of the written cancellation from the Union, the Employer shall immediately begin deducting fair share payments provided the Union certifies the fair share amount in writing.
- c) An employee's membership in the Union is not terminated when an employee is placed on any type leave or disciplinary removal. The Employer shall deduct Union dues commencing with the first (1st) paycheck following the employee's return to paid status.
- d) The aggregate deductions of all dues payers together with an "itemized reconciliation report" shall be remitted to the Union no later than the fifth (5th) working day of the month following the month for which the deductions were made. Payroll deductions for insurance purposes may be submitted in the same check, but must be itemized separately from the dues report aforementioned. All

itemization report forms shall be provided by the Union, and may include all the following information requests:

Employer name, period covered, address, separate listings of fair share and regular dues members, base pay of members, dues of fair share amount withheld, and changes since the last report due to termination, layoff, retirement, cancellation, leave without pay or return from leave without pay, or new members.

- e) The City will not be held liable for check-off errors. The City and the Union shall cooperate and will make proper adjustments for any errors as soon as practicable. Unless the Union and employee agree to a different time frame, an adjustment shall not extend beyond the following pay period.

Section 3. The Employer agrees to automatically adjust the dues amount or fair share payment for employees whose base salaries increase or decrease during the term of this Agreement. The City is authorized to charge the Union a service fee of ten dollars (\$10.00) per employee each time the Union changes the schedule of Union dues and initiation fees in excess of once per year. The Union shall remit the appropriate amount to the Finance Department by the tenth (10th) of the month in which the notice of the Union dues or initiation fee change is received by the City.

Section 4. Upon request, the Employer will provide the Union at no charge a testing of all employees in the bargaining unit for the purpose of periodic review and/or update of records. Such listing shall include the following:

- Name (last name first, full first name and middle initial)
- Home Address (street address, city, state and zip code)
- Employee Identification Number
- Work Site
- Business Phone
- Membership Status (i.e., member or fair share member)

Section 5. The Union agrees to indemnify and hold the Employer harmless against any claims made and against any claim, suit or charge instituted against the Employer as a result of any action taken by the Employer pursuant to the provisions in this article.

ARTICLE 5 - EMPLOYEE BILL OF RIGHTS

The purpose of this Bill of Rights is to insure the rights of due process in the investigation of a citizen complaint brought against a City employee.

- a) An employee shall be given notice of the nature of the complaint at least twenty-four (24) hours prior to appearing at any type of investigation, or meeting or an internal affairs investigation.

- b) If the employee requests, the employee shall have the right to be accompanied by a Union representative (or Union legal counsel) at any interview of an employee.
- c) If disciplinary action is pursued, or if charges are filed the employee shall be given a copy of the summary report of the investigation, a list of the witnesses who will appear against the employee, and the identity of his/her accuser.

ARTICLE 6 - PERSONNEL RULES

It is the intention of the parties that the terms of this Agreement supersede and control over any personnel rules and terms found in the City's current Personnel Rules and Regulations, or any amendments thereto. All rights and benefits extended to bargaining unit employees shall be limited to the terms provided in this Agreement. Miscellaneous personnel rules are attached to this Agreement as Exhibit A and by this reference shall be made a part of this Agreement.

ARTICLE 7 - PERSONNEL RECORDS

Section 1. An employee or his/her designated representative may, upon request, inspect the contents of his/her personnel files. The Employer shall provide such files to the employee or his/her designated representative within five (5) business days of his/her request to review the file.

Section 2. No information reflecting critically upon an employee shall be placed in the employee's personnel file that does not bear the signature of the employee, or a note attached and dated if the employee refused to sign.

Section 3. No adverse material, including material reflecting caution, consultation, warning, admonishment, and reprimand, may be placed in the personnel file without first notifying the employee. The employee shall have the opportunity to read the material and submit a written statement or rebuttal. The statement/rebuttal shall be attached to the critical material and remain there until the material is purged. Such material shall be maintained for a maximum of three (3) years.

Note: The City retains the right to retain purged material per the archivist's administrative rule for legal defense. The City shall retain the purged material in a sealed file.

ARTICLE 8 - TRIAL SERVICE

Section 1. Each employee appointed to a position in the bargaining unit by initial appointment or promotion shall, with each appointment, serve a trial service period of six (6) full months, unless an extension of an additional six (6) months is agreed to by the Employer and the Union.

Section 2. Upon completion of the trial service period, the employee shall be considered as having satisfactorily demonstrated qualifications for the position and he/she shall gain regular status.

Section 3. At any time during the trial service period, the City may remove an employee if, in the opinion of the City, the trial service indicates that such employee is unable or unwilling to perform duties satisfactorily or that the habits and dependability of the employee do not merit continuance of trial service. The decision to remove an employee from trial service is not grievable under Articles 33, Discipline and Discharge and 34, Grievance Procedure of this Agreement.

Section 4. An employee who is removed from trial service following a promotion shall have the right of return to his/her classification and salary level from which the employee was promoted.

ARTICLE 9 - CLASSIFICATION DESCRIPTIONS

Individual classification descriptions shall be reduced to writing and shall delineate the duties assigned to an employee's position. A dated copy of the classification description shall be given to the employee upon assuming the position and at such time the classification description is amended.

ARTICLE 10 - PROMOTIONS AND TRANSFERS

Section 1. When a vacancy occurs and/or new jobs are created for City positions:

- a) Such vacancy shall be posted for a period of seven (7) working days within all departments of the City.
- b) The City may advertise and accept applications from the public.

Section 2. Employees who apply in writing and meet the minimum qualifications, including required test, if any, shall be granted an interview. Upon written request, any employee who was interviewed but not selected for promotion or transfer shall be given specific reasons in writing.

Section 3. An employee promoted shall have a trial period of up to six (6) months on the job. During the trial period, the Employer may decide that the employee cannot fill the job satisfactorily and the employee shall be returned to his/her former position.

Section 4. Salary on Promotion. An employee shall be given a pay increase to the next higher rate in the new salary range effective on the date of promotion to a higher paid job classification, that is at least five percent (5%) higher than the employee's rate of pay in the lower and former salary range, but in no event more than the top step of the salary range of the higher classification.

Section 5. Employees may apply to transfer to a vacant position in the same job classification in another department and if they meet the minimum qualifications. If requested by the employee following denial of a transfer request, the employee shall be given specific reasons for the denial in writing. A transfer is a change of an employee from one position to another position with the City service and in the same classification.

ARTICLE 11 - WORK OUT OF CLASSIFICATION

Section 1. When an employee is assigned to perform a majority of the duties and responsibilities of a position at a higher level of classification for more than two (2) consecutive workdays, the employee shall be compensated at the beginning rate of pay for that position or at the next higher salary step in the employee's present salary range, whichever is the greater, for all hours worked in the higher classification position, beginning from the first (1st) day of the assignment and lasting for the full period of the assignment. Prior to an employee being assigned to the duties of a position at a higher level of classification there shall be a conference between the employee and his/her immediate supervisor to determine if the assigned duties constitute working out of classification. The conclusions drawn from that conference shall be reduced to a written memo, signed by both the employee and the City and placed in the employee's personnel file. If the employee believes he/she is performing work out of classification and the City does not, the employee may grieve for out of class pay.

Section 2. An employee performing duties out of classification for training or developmental purposes shall be informed in writing of the purpose and the length of the assignment during which there shall be no extra pay for the work. A copy of the notice shall be placed in the employee's personnel file.

Section 3. The City shall not permanently assign the majority of the duties of a higher class in a manner calculated to avoid a promotion to which the employee would be eligible to apply.

ARTICLE 12 - CLASSIFICATION REVIEW

If the Union believes there has been a substantial change in the content of a position since the time this Agreement was entered, it may request an amendment to the classification description for that position by submitting a written explanation and justification for the request to the City Manager. Within thirty (30) workdays after receipt of the reclassification request, the City Manager shall reply to the Union and grant or deny the request. Any mutual agreement to an extension of time must be in writing. Assignment of duties outside the current classification is addressed in Article 11, Work Out of Classification.

ARTICLE 13 - WORKWEEK AND WORKDAY

Section 1. Employees shall not be scheduled to work more than five (5) consecutive days as scheduled by the City within a seven (7) day period. In order to meet the operating requirements of the City an employee may be scheduled to work five (5) consecutive shifts of eight (8) hours

per shift, or four (4) consecutive shifts of ten (10) hours per shift, or any other schedule mutually agreed to by the City and the employee. The City shall provide the employee with two (2) weeks' notice of a schedule change. Shift changes which are dictated by operational needs of the City may be made by the Department Head after consultation with the affected employees and discussion of options and alternatives they may identify

Section 2. Rest Periods. Employees who work an eight (8) hour workday shall be granted a rest period of fifteen (15) minutes in every four (4) hours of working time or major fraction thereof (i.e. more than two (2) hours), to be taken insofar as practicable, in the middle of the work period. Employees who work a ten (10) hour workday shall be granted a rest period of twenty (20) minutes in every five (5) hours of working time or major fraction thereof (i.e. more than two and one half (2.5) hours), to be taken insofar as practicable, in the middle of the work period.

Section 3. Meal Period. Employees who work an eight (8) hour workday shall be granted a meal period of not less than thirty (30) minutes nor more than one (1) hour unless mutually agreed otherwise. Meal periods shall be scheduled at approximately the mid-period of the workday.

Section 4. Employees who work an eight (8) hour workday, and are required to work their full workday without relief for a lunch period, shall have such time counted as hours worked.

ARTICLE 14 - OVERTIME

Section 1. Overtime for employees is time worked in excess of their regularly scheduled workday or forty (40) hours per workweek. "Hours worked" in the computation of overtime under this Agreement includes paid time off granted by the City.

Section 2. Employees who work overtime shall be compensated at time and one half (1-1/2) the employee's hourly rate of pay. An employee may elect, subject to the operating needs of the City, to take compensatory time off in lieu of cash payment.

Section 3. Compensatory time off shall be taken within the fiscal year accumulated. Except as provided in Section 4 of this Article, if an employee does not use compensatory time within the year accumulated, the employee shall be paid for such time at his/her regular hourly rate of pay.

Section 4. Compensatory Time Off. Employees, subject to the operating requirements of the City and its departments, shall have the choice of earning compensatory time off in lieu of overtime. Scheduling compensatory time off will be done at the convenience of the employee and the City consistent with the operating requirements of the City and its departments. Compensatory time off shall be taken within the fiscal year in which it is earned unless the compensatory time off is scheduled to be taken within July through August of the following fiscal year. Compensatory time off is scheduled by mutual agreement and subject to the City's reasonable operating needs as requested or within a reasonable time frame of the time requested. The City may purchase an employee's compensatory time balance to zero prior to the effective date of any wage increase.

ARTICLE 15 - COMPENSATION FOR SCHEDULE ADJUSTMENTS

Section 1. Call-Back Compensation.

- a) Call-back is an occasion where an employee has been released from duty and is called back to work prior to his/her normal starting time. On such occasions, the employee is expected to work his/her normal workday unless other arrangements are made through mutual agreement of the employee and his/her department head.
- b) An employee who is called back to work outside his/her scheduled work shift shall be paid a minimum of the equivalent of two (2) hours' pay at the overtime rate of pay computed from when the employee actually begins work. After two (2) hours work, in each call-back situation, the employee shall be compensated at the appropriate rate of pay for time worked.
- c) This provision does not apply to overtime which is essentially a continuation of the scheduled work shift or which commences within two (2) hours of the start of the scheduled work shift.

Section 2. Reporting Compensation.

- a) Reporting time is the time designated or recognized as the start of the daily work shift or schedule.
- b) An employee's reporting time may be changed two (2) hours earlier or two (2) hours later, or less, if the employee is notified a minimum of eight (8) working hours before the next regularly scheduled reporting time. If the employee's reporting time is changed without proper notice, the employee shall be entitled to call-back compensation, as provided in Section 1 of this Article.

Section 3. Show-Up Compensation. An employee who is scheduled for work, and reports to work, and is released from work, shall be paid the equivalent of two (2) hours' pay at the appropriate rate. When an employee actually begins his/her scheduled shift, the employee shall be paid for the remainder of the scheduled shift.

ARTICLE 16 - RETIREMENT

Section 1. Public Employee Retirement System ("PERS") Members.

- a) For purposes of this Article 16.1, "employee" means an employee who is employed by the City on August 28, 2003 and who is eligible to receive benefits under ORS Chapter 238 for service with the City pursuant to Section 2 of Chapter 733, Oregon Laws 2003.

- b) Retirement Contributions. On behalf of employees, the City will continue to “pick up” the six percent (6%) employee contribution to the Public Employees Retirement Fund through December 31, 2003. Thereafter, the City will continue to “pick up” a six percent (6%) employee contribution, payable as the law requires. The parties acknowledge that various challenges have been filed which contest the lawfulness, including the constitutionality, of various aspects of PERS reform legislation enacted by the 2003 Legislative Assembly, including Chapters 67 (HB 2003) and 68 (HB 2004) of Oregon Laws (“PERS Litigation”). Nothing in this agreement shall constitute a waiver of the parties’ rights, claims, or defenses with respect to the PERS Litigation and PERS related claims.

Section 2. Oregon Public Service Retirement Plan Pension Program (“OPSRPPP”) Members.

- a) For purposes of this Article 16.2, “employee” means an employee who is employed by the City on or after August 29, 2003 and who is not eligible to receive benefits under ORS Chapter 238 for service with the City for service with the City pursuant to Section 2 of Chapter 733, Oregon Laws 733.
- b) Contributions to Individual Account Programs. As of the date that an employee becomes a member of the Individual Account Program established by Section 29 of Chapter 733, Oregon Laws 2003, the City will pay an amount equal to six percent (6%) of the employee’s monthly salary, not to be deducted from the salary, as the employee’s contribution to the employee’s account in the program. The employee’s contributions paid by the City under this Article 16.2 shall not be considered to be “salary” under Section 1(16)(c) of Chapter 733, Oregon Laws 2003, for the purposes of computing a OPSRPPP member’s “final average salary” under Section 10 of Chapter 733, Oregon Laws 2003, or “salary” for the purposes of determining the amount of employee contributions required to be contributed pursuant to Section 32 of Chapter 733, Oregon Laws 2003.

Section 3. Effect of Changes in Law Other than PERS Litigation. In the event the City’s payment of a six percent (6%) employee contribution under Article 16.1 or Article 16.2 , as applicable, must be discontinued due to a change in law, valid ballot measure, constitutional amendment, or a final, non-appealable judgment from a court of competent jurisdiction (other than the PERS Litigation), the City shall increase by six percent (6%) the base salary rates for each classification in the salary schedules applicable to the members of the bargaining unit in lieu of the six percent (6%) pick-up. This transition shall be done in a manner to assure continuous payment of either the six percent (6%) contribution or a six percent (6%) salary increase.

For reasons indicated above or by mutual agreement, if the City ceases paying the applicable six percent (6%) pick-up and instead provides a salary increase for eligible bargaining unit employees during the term of this agreement, and bargaining unit employees are able, under existing law, to make their own six percent (6%) contribution to their PERS account or to the Individual Account Program account, as applicable, such employees’ contributions shall be treated as “pre-tax” contributions pursuant to Internal Revenue Code Section 414(h)(2).

ARTICLE 17 - PAYDAY

Employees shall be paid on the fifth (5th) and twentieth (20th) of each month. Every effort will be made to insure paychecks are available no later than 9 a.m. on the above pay dates. If payday falls on a Saturday, Sunday or a holiday, employees shall be paid on the last working day preceding payday.

ARTICLE 18 - HOLIDAYS

Section 1. The following holidays shall be recognized and paid for at the regular straight-time rate of pay:

- a) New Year's Day on January 1
- b) Martin Luther King Jr. Day on the third Monday in January
- c) Presidents' Day on the third Monday in February
- d) Memorial Day on the last Monday in May
- e) Independence Day on July 4th
- f) Labor Day on the first Monday in September
- g) Veterans' Day on November 11th
- h) Thanksgiving Day on the fourth Thursday in November
- i) Christmas Day on December 25th

Section 2. When a holiday specified in Section 1 of this Article falls on a Saturday, the preceding Friday shall be recognized as the holiday. When a holiday specified in Section 1 of this Article falls on a Sunday, the following Monday shall be recognized as the holiday.

Section 3. Employees required to work on days recognized as holidays which fall within their regular workweek shall be entitled to take off an in-lieu of holiday during the following twenty (20) workdays on a mutually agreeable day, unless the overtime work requires four (4) hours or less in which case the employee may elect to be paid at the overtime rate for the required hours worked..

Section 4. An employee's leave account shall not be charged for a holiday, which occurs during the use of earned vacation or earned sick leave.

Section 5. The parties recognize that some positions must be staffed on each and every holiday, and that employees in these positions cannot be released from duty on these holidays. Section 2 of this Article shall not apply to employees in these positions and the holiday shall be observed on the actual day specified in Section 1.

ARTICLE 19 - COMPENSATION PLAN

Section 1. The City classification and compensation plan is attached as Exhibit B.

Section 2. Each employee shall be paid at one of the rates in the salary range for each class in which he/she is employed.

Section 3. Salary Increases.

- a) Step Increases. An employee who has completed the trial service period shall receive a one-step salary increase on the anniversary of the employee's initial date of hire until the employee has reached the top step in his/her salary range.
- b) Upward Reclassification or Promotion. An employee shall be given a pay increase in the new salary range effective on the date of reclassification or promotion as defined in Article 10 related to Promotion and Transfer.
- c) Cost of Living Adjustments.

Effective January 1, 2008, salary rates for all employees in the SEIU Local 503, OPEU bargaining unit as described in Article 1, shall be adjusted upward by the average annual percentage increase of the CPI-U All U.S. Cities, for the calendar year 2006, with a minimum of 2.5% and a maximum of 4%. (Salary Chart to be developed and implemented as Exhibit B)

Effective July 1, 2008, salary rates for all employees in the SEIU Local 503, OPEU bargaining unit as described in Article 1, shall be adjusted upward by the average annual percentage increase of the CPI-U All U.S. Cities, for the calendar year 2007, with a minimum of 2.5% and a maximum of 4%, plus one-half (0.5%). (Salary Chart to be developed and implemented as Exhibit B)

Effective July 1, 2009, salary rates for all employees in the SEIU Local 503, OPEU bargaining unit as described in Article 1, shall be adjusted upward by the average annual percentage increase of the CPI-U All U.S. Cities, for the calendar year 2008, with a minimum of 2.5% and a maximum of 4%, plus one-half (0.5%). (Salary Chart to be developed and implemented as Exhibit B)

Effective July 1, 2010, salary rates for all employees in the SEIU Local 503, OPEU bargaining unit as described in Article 1, shall be adjusted upward by the average annual percentage increase of the CPI-U All U.S. Cities, for the calendar year 2009, with a minimum of 2.5% and a maximum of 4%. (Salary Chart to be developed and implemented as Exhibit B)

Section 4. Longevity Pay.

All workers, upon reaching the 10th anniversary of service with the City shall receive a one (1)-time payment of two and one half percent (2.5%) of their annual base wage.

All workers, upon reaching the 20th anniversary of service with the City, shall receive a one (1)-time payment of two and one half percent (2.5%) of their annual base wage.

All workers, upon reaching the 30th anniversary of service with the City, shall receive a one (1)-time payment of two and one half percent (2.5%) of their annual base wage.

ARTICLE 20 - LAYOFF

Section 1. A layoff is defined as a separation from the City for involuntary reasons, other than resignation, not reflecting discredit on an employee. An employee shall be given written notice of layoff fifteen (15) working days before the effective date, stating the reasons for the layoff.

Section 2. The layoff procedure shall occur in the following manner:

- a) Layoff shall be by job classification within the concerned department and shall be in ascending order (bottom to top) based on seniority. The employee designated as the least senior as provided herein shall be laid off first and offered recall last.
- b) Where an employee is to be laid off, that person may elect to displace another employee in a different job with the same or lesser pay range, provided that the employee electing to displace another employee has greater seniority and has previously held the position.

Section 3. Employees who elect to bump down in lieu of layoff will be paid at the rate of pay, which is applicable for the job title to which he/she bumps, at the same seniority step in the salary system occupied by the bumping employee at the time he/she chooses to bump.

Section 4. When a position exists to which there are eligible employees on the recall list for the same job titles from which he/she bumped down or was laid off, the most senior employee with the necessary qualifications shall be offered recall first.

Section 5. Recall from layoff rights shall expire twelve (12) months after the layoff.

ARTICLE 21 - MISCELLANEOUS WORKING CONDITIONS

Residence Requirements. All employees are encouraged to live in Cannon Beach but shall not be required to do so.

ARTICLE 22 - UNIFORMS, PROTECTIVE CLOTHING, BOOTS/SHOES

Section 1. All personnel whose assignment requires the wearing of a uniform or protective clothing will be provided with suitable apparel by the City.

Section 2. Uniforms and protective clothing shall remain the property of the City and shall be returned to the Employer upon termination of employment.

Section 3. Public Works employees shall be reimbursed for work boots/shoes up to one-hundred twenty-five dollars (\$125.00) per year, or at the employees choice, two-hundred fifty dollars (\$250.00) per biennium, upon submitting a receipt of purchase to the City.

ARTICLE 23 - ADDITIONAL BENEFITS

Section 1. Educational Opportunities. The City shall reimburse an employee for the full amount of tuition for courses directly related to the employee's work, upon special approval by the City Manager and conducted outside the employee's regular working hours, provided that:

- a) Funds for such expenditures are available in the current budget;
- b) The employee has made application for the approval of the course and tuition reimbursement to his/her department head at least ten (10) days prior to the registration for such course;
- c) The employee submits evidence of satisfactory completion of the course;
- d) The employee is not receiving reimbursement from any other source.

Courses, which are only offered during regular working hours, may be approved by the City Manager or his/her designee provided time off can be arranged conveniently and reasonable arrangements can be made to make up time off.

Section 2. The City shall allow time off with pay and shall reimburse an employee for the expenses of attending classes, lectures, conferences or conventions when attendance is on an assignment basis with prior approval. Normally, the cost of textbooks and technical publications required for such courses shall be the responsibility of the employee. If the City purchases any of the textbooks and publications for such courses, said textbooks and publications shall become the property of the City.

Section 3. Travel Expenses

- a) When employees are required to travel outside the City, on City business, reimbursements for expenses incurred shall be determined as follows:

Prior to traveling outside the City, the employee shall obtain approval.
- b) The allowances set forth herein will be authorized for meals and lodging expenses as a result of required travel while on City business:

1.	Breakfast	\$ 10.00
2.	Lunch	\$ 10.00
3.	Dinner	\$ 17.50

- | | | |
|----|----------|---|
| 4. | Gratuity | A 15% gratuity for all meal service with receipt provided |
| 5. | Lodging | City shall make all lodging arrangements |
| 6. | Parking | Actual receipted cost |
- c) Eligibility for Meal Allowances. Employees whose official duties require overnight lodging away from their place of residence shall be eligible for breakfast, lunch and dinner. Eligibility for meal allowances for one-day travel on City business shall be as follows:
1. Breakfast - An employee who must commence required travel two (2) hours before the scheduled work shift.
 2. Lunch - An employee who must commence required travel two (2) hours before his/her scheduled lunch break.
 3. Dinner - An employee who must commence required travel two (2) hours beyond his/her regularly scheduled shift.
- d) Receipts or written documentation for the above expenses shall be submitted to the employee's department head.
- e) Employees eligible for reimbursement for two (2) or more meals may at their option, submit with receipts, a request for reimbursement for the aggregate amount allowed for those meals.

Section 4. Mileage. Employees authorized to use private vehicles on the job shall be reimbursed at the maximum rate allowed by the Internal Revenue Service.

ARTICLE 24 - INSURANCE BENEFITS

Section 1. Effective July 1, 2004, the City shall provide the Medical/Hospital/Optical/Dental insurance plans (CCIS Plan 1-Copay B-\$200, with PPP) as designed and amended periodically by CCIS with UCR Vision, Dental Plan III and Dentacare III, and ortho option. Should the carrier drop the plan or substantially change the benefit level, the City shall meet with the Union to discuss the appropriate response to the change.

Section 2.

Effective July 1, 2007 the City shall pay premiums up to a cap of \$395 for employee only, \$840 for employee plus one, and \$1180 for employee plus two. The City and the employee will each pay 50% of the premium amount in excess of the aforementioned caps.

Effective July 1, 2009 the City shall pay premiums up to a cap of \$414.75 for employee only, \$882 for employee plus one, and \$1239 for employee plus two. The City and the employee will each pay 50% of the premium amount in excess of the aforementioned caps.

Section 3. The City shall maintain and fully pay for a life insurance program, equal to or better than the current program, in the amount of twenty thousand dollars (\$20,000) for all employees for the life of this Agreement.

Section 4. The City shall make available for employee participation the League of Oregon Cities' Benefits Service Trust Health Expense Layaway Plan (H.E.L.P.). Participation in the plan will be voluntary on the part of employees. Administrative costs of the plan will be borne by the City.

Section 5. During the term of this Agreement, either party may initiate discussions regarding health care cost containment. By mutual agreement of the parties, an alternate program or plan may be adopted.

ARTICLE 25 - SAFETY AND HEALTH

Section 1. The Union and the City recognize that both the employees and City Management share a mutual concern and responsibility in promoting the safest possible working environment.

Section 2. If an employee claims that an assigned job, vehicle or equipment is unsafe or might unduly endanger his/her health and for that reason refuses to do the job or use the vehicle or equipment, the employee shall immediately give specific reason(s) in writing to the supervisor. The supervisor shall make a determination, and if the supervisor disagrees then he/she shall promptly request a decision by the City Manager, within twenty-four (24) hours as to whether the job, vehicle or equipment is safe or unsafe. In the event the employee or the Union remain concerned that an issue of safety exists, the Union steward shall explain the concerns to the City Manager and the City Manager shall consult with the OrOSHA Technical Assistance Division. The advice provided by OrOSHA will be shared with the concerned employee and the Union.

Section 3. Pending determination provided for in this Article, the employee shall be given suitable work elsewhere if available. If no suitable work is available, the employee shall be sent home. Time lost by the employee, as a result of any refusal to perform work on the grounds that it is unsafe, or might unduly endanger his/her health shall not be paid by the City unless the employee's claim is upheld.

ARTICLE 26 - JOB PROTECTION FOR ON-THE-JOB INJURIES

Section 1. An employee who has sustained a compensable injury and is disabled from performing the duties of his/her former regular employment shall, upon demand, be re-employed by the City, at employment which is available and suitable. A demand for re-employment shall be made within five (5) days, of the employee's release by his/her doctor.

Section 2. A certificate from the employee's attending physician that the employee is able to perform described types of work shall be prima facie evidence of such ability, although the City

or its Workers' Compensation insurance carrier may secure evidence that the return is appropriate through examinations by alternative physicians.

Section 3. Return-To-Work Program. The parties jointly recognize the desirability of returning an injured worker to some form of duty at the earliest possible time consistent with the ability of the employee to return to work, as certified by the treating physician and/or examining physicians. To achieve this return the City, when possible, and solely at the discretion of the City Manager, may assign an employee to work other than his/her regular duties. In such event, the employee will be paid at the rate applicable to his/her regular job not to exceed thirty (30) days. After such time the rate would be adjusted to that of the alternative job assignment.

ARTICLE 27 - VACATIONS

Section 1. New employees shall not be eligible for vacation leave during their first six (6) months of employment, although vacation leave shall accrue from the beginning of employment. Vacation shall accumulate at the following rate:

0 - 3 years	10 workdays for each calendar year of service
4 - 8 years	15 workdays for each calendar year of service
9 - 20 years	20 workdays for each calendar year of service
21 or over years	shall be granted one (1) day of vacation leave with pay for each year of employment.

Section 2. Compensation for use of accrued vacation shall be at the employee's prevailing straight time rate of pay.

Section 3. In the event of termination, any unused vacation shall be paid to the employee.

Section 4. In the event of an employee's death, all monies due him/her for accumulated vacation and salary shall be paid as provided by law.

Section 5. Vacation shall continue to accrue during earned, paid leaves.

Section 6. Vacation hours may accumulate to a maximum of 250 hours, but employees are encouraged to utilize accrued vacation time within one (1) year.

Section 7. No employee may be placed on vacation leave and no accrued vacation time may be utilized without specific authorization of the employee. When more than 250 vacation hours have been accumulated by an employee, and vacation leave is not requested, vacation hours in excess of 250 hours shall not accrue and shall be lost.

Section 8. Subject to the operating requirements of the City and the approval of management, employees shall have their choice of vacation time. No vacation request shall be unreasonably denied. If two (2) or more employees request the same period of time off within a week of one another's requests and the matter cannot be resolved by agreement of the parties concerned, the

employee having the greatest length of service with the City shall be granted the time, provided however, that an employee shall not be given this length of service consideration more than once every two (2) years. An employee exercising such right must make such request in writing.

Section 9. Employees who work less than full time shall accrue vacation leave prorated, based on the hours worked during the calendar month or pay period, whichever is appropriate.

Section 10. As a general rule, employees are expected to schedule vacation time off as a break and relief from duty. When vacation leave has been requested and denied due to impossibility or operational needs, a cash payment of not more than forty (40) hours may be made to avoid losing vacation or the City may permit the accrual to remain without forfeiture of further accruals for an agreed upon period within which the employee agrees to take the vacation time off. When more than 250 vacation hours have been accumulated by an employee, and vacation leave is not requested and scheduled, further vacation hours in excess of 250 hours shall not accrue and shall be forfeited.

Section 11. Employees who are scheduled to be off work on vacation of one week or longer may request advance payment of their vacation time; any paycheck(s) they would have received during the period of their vacation will be prepared and post-dated by the City for deposit on or after payday unless the employee is enrolled in direct deposit of pay. Such requests shall be granted if the employee provides at least one (1) week's prior notice to the City.

ARTICLE 28 - MEDICAL LEAVE

Section 1. Full-time employees shall accrue eight (8) hours of medical leave with pay credits for each calendar month of service. Employees who work less than a month shall accrue medical leave with pay on a prorated basis.

Section 2. Medical leave shall accrue from the date of employment, but shall not be taken until completion of three (3) months of continuous service. Medical leave may be accumulated and carried over from year to year of continuous service. Unused medical leave shall not be compensated for in any way at the time of resignation or dismissal of an employee.

Section 3. Employees who have earned medical leave credits shall be eligible for medical leave for any period of absence from employment which is due to the employee's illness, bodily injury, inpatient and outpatient treatment for drug or alcohol dependency, disability resulting from pregnancy, necessity for medical or dental care, exposure to contagious disease, attendance upon members of the employee's immediate family (employee's parent, wife, husband, children, brother, sister) where the employee's presence is required because of illness in the immediate family of the employee or the employee's mother-in-law or father-in-law. Certification of an attending physician or practitioner may be required by the City to support the employee claim for medical leave if the employee is absent in excess of three (3) workdays, or if the City articulates the basis for a reasonable belief that the employee is abusing medical leave privileges in a written directive to obtain the medical certification. The City may also require such certificate from an employee to determine whether the employee should be allowed to return to work where

the City has reason to believe that the employee's return to work would be a health hazard to either the employee or others. If an employee incurs personal expense not paid by workers compensation or health insurance in order to provide medical certification requested by the City, the City shall reimburse such expense.

Section 4. When an employee needs to use medical leave and has not given his/her supervisor prior notice, the employee shall call his/her supervisor prior to the beginning of his/her scheduled workday except for circumstances when incapacity precludes the employee from calling or when doing so is impossible and beyond the control of the employee, such as a traffic accident.

Section 5. After an employee has accumulated two hundred (200) hours of medical leave, up to three (3) days may be cashed out at the end of each year, according to the following guidelines: If the employee has used two (2) or fewer sick days in a calendar year, he/she shall have the option of trading in three days (3) of medical leave accumulated for the equivalent of three (3) days' pay. If the employee has used three (3) or fewer sick days in a calendar year, he/she may trade in two (2) accumulated sick days for the equivalent of two (2) days' pay. If the employee has used four (4) or fewer sick days in a calendar year, he/she may trade in one (1) accumulated sick day for the equivalent of one (1) day's pay.

Medical leave used for on-the-job illnesses and injuries, which have been accepted by the City's Workers' Compensation carrier, shall not be considered as medical leave usage for the purposes of this Section.

Section 6. The City participates in PERS sick leave fold-in in accordance with the PERS retirement plans.

Section 7. Family leave shall run concurrently with medical leave and any other paid time off (except FLSA approved compensatory time.)

ARTICLE 29 - BEREAVEMENT LEAVE

Section 1. In the event of a death in the employee's immediate family (employee's parent, wife, husband, children, brother, sister, grandmother, grandfather, son-in-law, daughter-in-law mother-in-law, father-in-law), an employee shall upon request be granted leave of absence with pay not to exceed four (4) workdays. If any additional workdays are required for bereavement leave, the employee shall utilize other accrued leave benefits (personal leave, vacation, or unpaid leave).

Section 2. When an employee participates in a funeral ceremony of a person not covered by Section 1 of this Article, he/she shall be granted reasonable time off to perform such duties and to complete needed travel, not in excess of three (3) days. An employee may take this time off as leave without pay, vacation leave, or personal leave.

ARTICLE 30 - JURY DUTY

Section 1. When a City employee is called for jury duty or subpoenaed as a witness for a court appearance, he/she shall not suffer any loss of pay, accrued vacation or sick leave for the first five (5) days of any jury trial assignment. For the purposes of this Article, court appearance as a result of a subpoena is defined as an appearance required as a result of the employee's official capacity with the City of Cannon Beach. The City grants unlimited time off without pay or as paid leave for jury duty.

Section 2. Compensation received for performance in jury duty will be transferred to the City except for compensation for mileage or meal allowances.

Section 3. An employee, who has completed jury duty and has one (1) hour or less remaining on his/her regular shift (excluding travel time), shall not be required to return to work that day.

Section 4. An employee shall provide the City with a copy of the notice for jury duty.

Section 5. Service on a jury for up to five (5) days shall be considered time worked.

Section 6. The City shall make exceptions to the paid leave limitation on a case by case basis if an employee is directed by a Circuit Judge in state court or a federal District Court Judge or magistrate to remain on jury duty for a greater period of time.

ARTICLE 31 - MILITARY LEAVE

An employee, who has worked for the City six (6) months or more and applies for military leave and who is a member of the National Guard or of any reserve component of the armed forces of the United States, is entitled to a leave of absence with pay for a period not exceeding fifteen (15) calendar days or eleven (11) working days in any calendar year. If the training time for which the employee is called to active duty is longer than fifteen (15) calendar days, the employee may be paid for the first fifteen (15) days only if such time is served for the purpose of discharging an obligation of annual active duty for training in the military reserve or National Guard. A City employee voluntarily or involuntarily seeking military leave without pay to attend service school shall be entitled to such leave during a period of active duty training.

Leaves will be granted in accordance with USERA.

ARTICLE 32 - LEAVE OF ABSENCE WITHOUT PAY

Section 1. A regular employee may be granted leave of absence without pay or benefits for a period not to exceed twelve (12) months, provided such leave can be scheduled without adversely affecting the operations of the City. Requests for leave without pay shall be in writing, shall be directed to the department head and shall contain reasonable justification for approval. Time spent on leave without pay shall not be counted towards trial service period.

Section 2. After six (6) months of employment, an employee shall be entitled to one (1) calendar week per fiscal year of unpaid leave of absence, to be mutually scheduled by the employee and his/her supervisor. Such time off shall not result in any reduction in benefits under this Agreement.

Section 3. Temporary Interruption of Employment

- a) Any temporary interruption of employment because of adverse weather conditions, shortage of supplies or for other unexpected or unusual reasons beyond the control of the employee, not to exceed ten (10) days, shall not be considered a lay-off if, at the termination of such conditions, employees are to be returned to employment.
- b) Such interruptions of employment may be charged to accrued vacation leave or compensatory time. If the employee has no accrued vacation leave or compensatory time, it may be recorded as leave without pay.

ARTICLE 33 - DISCIPLINE AND DISCHARGE

The principles of progressive discipline shall be used when appropriate. Discipline may include, but not be, limited to: written reprimands, reduction in pay, demotion, suspension and dismissal. Discipline shall be imposed for just cause as that term is normally interpreted by arbitration in public and private labor relations.

ARTICLE 34 - GRIEVANCE PROCEDURE

Section 1. Any grievance or dispute, which may arise between the parties with regard to the application, meaning, or interpretation of a specific provision of this Agreement shall be settled in the following manner:

Step 1. The aggrieved employee or group of employees with or without their Union Steward shall orally present the grievance to the Department Head within twenty (20) working days of the time the grievant or the Union knows or by reasonable diligence should have known of the alleged grievance. The Department Head shall give his/her oral reply within twenty (20) working days of the date of the presentation of the grievance.

Step 2. When the response at Step 1 does not resolve the grievance, the grievance shall be reduced to writing and submitted on the form indicated as the Official Statement of Grievance form to the City Manager within ten (10) working days. The grievance shall identify the article(s) of this contract alleged to have been violated, the facts upon which the grievance is based, and the remedy requested. The City Manager shall reply in writing within ten (10) working days after receipt of the grievance at this step.

Section 2. If the grievance is not satisfactorily resolved at Step 2, the Union may submit the grievance to arbitration within fifteen (15) working days after receiving the response from Step 2; provided however that a grievance arising under Article 41, No Discrimination, may not be taken to arbitration.

Section 3. The parties agree that the decision of award of the arbitrator shall be final and binding on each of the parties and that they will abide thereby. The arbitrator shall have no authority to add to, subtract from, or change any of the terms of this Agreement.

Section 4. The arbitrator's fees and expenses shall be equally shared by the parties. All other expenses shall be borne exclusively by the party requiring the service or items for which payment is to be made unless the parties otherwise agree..

Section 5. Following receipt of notice of intent to arbitrate, the Union and the City shall have seven (7) workdays in which to mutually agree upon an arbitrator within the allotted time. If the Union and the City cannot mutually agree upon an arbitrator, the City shall request from the American Arbitration Association a list of eleven (11) AAA labor arbitrators, and the City shall pay the AAA fees associated with providing the list. The Union shall strike the first name and the parties shall thereafter alternately strike names until one (1) name remains. The arbitrator shall then be notified of his/her selection by the parties.

Section 6. Time limits specified in this procedure must be observed, unless either party requests a specific extension of time, which, if agreed to, must be stipulated in writing and shall become part of the grievance record.

Section 7. The parties agree that the arbitrator chosen will issue a decision within 30 days after the hearing is closed or briefs are received, whichever occurs later.

ARTICLE 35 - NEGOTIATION PROCEDURES

Section 1. Negotiations shall be conducted during non-working hours unless mutually agreed otherwise. Up to three (3) members of the Union Bargaining Committee shall be granted time off with pay if negotiations are during working hours.

Section 2. All terms and conditions of the Collective Bargaining Agreement between the City and the classified unit, C-129-82, shall be extended until such time as a successor Agreement becomes effective or the Employment Relations Board (ERB) has made public the Final Offer and Costing Summary.

ARTICLE 36 - NO STRIKE

Section 1. The Union and its members, as individuals or as a group, will not initiate, cause, permit or participate or join in any strike, work stoppage, lockout, slow down, picketing or any other restriction of work during the term of this Agreement including the status quo period

described in Article 35 related to Negotiation Procedures. Employees in the bargaining unit, while acting in the course of their employment, shall not honor any picket line established by the Union or by any other labor organization when called upon to cross such picket line in the line of duty.

In the event of a strike, work stoppage, lockout, slow down, picketing, observance of a picket line or other restriction of work in any form, either on the basis of individual choice or collective employee conduct, the Union will immediately upon notification attempt to secure an immediate and orderly return to work. This obligation and the obligations set forth above shall not be affected or limited by the subject matter involved in the dispute giving rise to the stoppage or by whether such subject matter is or is not subject to the grievance provisions of this Agreement.

The City agrees that during the term of this Agreement, the City shall not cause or permit any lockout of employees from their work.

ARTICLE 37 - SEPARABILITY

In the event that any provision of this Agreement is at any time declared invalid by any court of competent jurisdiction, declared invalid by final Employment Relations Board order, made illegal through enactment of federal or state law or through government regulations having the full force and effect of law or by inability of the employer to perform to the terms of the Agreement, such action shall not invalidate the entire Agreement, it being the express intent of the parties hereto that all other provisions not invalidated shall remain in full force and effect. The invalidated provision(s) shall be subject to re-negotiation by the parties within a reasonable period of time from such request. This Agreement is subject to amendment, alteration or addition only by subsequent written agreement between the parties, and not by unauthorized practice which is inconsistent with the clear terms of this Agreement.

ARTICLE 38 - CONTRACTING OUT

Section 1. The Union recognizes that the Employer has the management right, during the term of this Agreement, to subcontract or contract out work performed by bargaining unit members. Transfer of public employees to a different public employer shall be governed by statute. In the event such contracting or subcontracting awards the work to a private contractor that would result in the layoff of bargaining unit members, the City shall provide the Union with no less than forty-five (45) days notice that it intends contract out bargaining unit work where the decision would result in displacement of bargaining unit members. During this forty-five (45) day period, the City shall not release any bids and the Union shall have the opportunity to submit an alternate proposal.

The City shall provide the feasibility study determining the potential costs and other benefits which would result from subcontracting or contracting out the work in question to the Union at the time of the notice in the first paragraph. The notification by the City to the Union of the results of the feasibility study will include all pertinent information upon which the City based its

decision to contract out the work including, but not limited to, the total cost savings the City anticipates.

Nothing in this Article shall prevent the City from continually analyzing its operation for the purpose of identifying cost-saving opportunities.

Section 2. If the Union's proposal would result in providing quality and savings equal to or greater than that identified in the City's plan, the parties will agree in writing to implement the Union proposal.

Section 3. If the City awards the work to a private contractor, the City will meet with the Union to bargain the impact of the decision.

Section 4. If any bargaining unit members are displaced as a result of contracting out, the City agrees to encourage the contractor to hire displaced employees.

Section 5. The employer shall pay up to three (3) months payment of the employee only health insurance as specified in the current Union contract for those employees laid off as a result of the contract and who meet the eligibility requirements according to the Union contract. The employee may make up the difference to maintain the dependent or full family coverage.

Section 6. Any employee laid off due to subcontracting or contracting out retains all rights under Article 20, Layoff, of this Agreement.

ARTICLE 39 - PERSONAL LEAVE DAYS

Section 1. After completion of trial service, regular, full-time employees shall be entitled to eight (8) hours of personal leave with pay each fiscal year for each five (5) years of employment. Personal leave days shall be granted pro rata to regular, part-time employees.

ARTICLE 40 - STANDBY TIME

Section 1. An employee shall be paid ten percent (10%) of his/her hourly rate for each hour of assigned standby duty. "Standby time" is time waiting to be engaged when the employee is at home or within a designated response area and subject to call by pager or cell phone. Such employee shall have the use of a pager or a cell phone.

Section 2. An employee shall be on standby duty when required to be available for work outside his/her normal working hours.

Section 3. An employee shall not be on standby duty once he/she actually commences performing assigned duties and receives the appropriate rate of pay for time worked.

Section 4. Standby-duty time shall not be counted as time worked in the computation of overtime compensation.

ARTICLE 41 - NO DISCRIMINATION

The provisions of the Agreement shall be applied equally to all employees in the bargaining unit without discrimination as to creed, age, marital status, race, color, gender, sexual orientation, disability which is subject to reasonable accommodations, religion, national origin, union affiliation, or political affiliation. The Union and the Employer both agreed to abide by the provisions of this Article. A violation of this Article shall not be subject to arbitration unless the employee elects arbitration and waives in writing the right to pursue all other, available avenues of redress.

ARTICLE 42 - PARENTAL LEAVE

Section 1. An employee employed for more than ninety (90) days may request, and shall be granted, a parental leave, in accordance with Oregon and federal family leave laws..

Section 2. The employee may be required to utilize accrued vacation, and if appropriate medical leave, paid or unpaid, during the parental leave. An employee may use but may not be required to use, compensatory time off. Benefits, leave accrual and service credit shall not be accrued for any period in which the employee is on unpaid leave status.

Section 3. In the event that both parents work for the Employer, the total time used by both parents is subject to Section 1 of this Article.

Section 4. Employees desiring to exercise their rights under this Article shall give the Employer at least thirty (30) days written notice in advance of the delivery or custody date, except in the case of a premature birth or unanticipated custody date of an which the leave is anticipated to begin and end. The Employer may also require a certificate of adoption. The notice to the Employer shall include dates when the leave is expected to begin and end to assist in the implementation of the provisions of this Article. If there is a pregnancy related disability, the employee shall advise the City of changes periodically which affect the anticipated duration of the leave.

Section 5. Any conflicts in the administration or interpretation of these provisions shall first be resolved by the application of the family leave statutes, ORS 659A.150 – 659A.186 and the Federal Family Medical Leave Act but only if said statutes apply to the Employer.

ARTICLE 43 - TERM OF AGREEMENT

This Agreement shall be in effect from July 1, 2007 through June, 30, 2011. It shall be automatically renewed from year to year thereafter unless either the Union or the Employer

desires to amend or re-negotiate this Agreement. The moving party shall notify the other in writing by December 1 of the year preceding the expiration date.

SEIU LOCAL 503, OPEU

CITY OF CANNON BEACH

By: _____
Leslie Frane, Executive Director

By: _____
John Williams, Mayor

By: _____
Kirk Anderson, Bargaining Team

By: _____
Rich Mays, City Manager

By: _____
Robert Majors, Bargaining Team

Date: _____

By: _____
Darryl Walker, Bargaining Team

By: _____
Approved as to Form
Akin Blitz
Labor Counsel

By: _____
Heather Conroy, Field Director

Date: _____

EXHIBIT A

PERSONNEL RULES

1. Advancement: A salary increase within the step pay limits established for a position.
2. Anniversary Date: One year from the date of hiring, regardless of wage funding. For purposes of step movement in a higher classification to which an employee is promoted, the anniversary date shall become the effective date of the promotion, and step movement shall occur on the twelve month anniversaries thereafter until the top step of the range is attained.
3. Calendar Year: Twelve (12) month period beginning January 1 and ending December 31.
4. Compensatory Time Off: Time off from work to compensate the employee for overtime worked.
5. Continuous Service: Uninterrupted employment with the City. Reasonable absences due to military service, or extended leaves approved by the City Manager, do not constitute a break in continuous employment.
6. Demotion: The transfer of an employee from their existing position to a different position which has a lower salary range.
7. Department: A major functional unit of the City government.
8. Department Head: A person directly responsible to the City Manager for the administration of a department.
9. Discharge: Termination of employment with the City for reasons attributable to the employee.
10. Disciplinary Action: Imposition of certain personnel actions, e.g. reprimand, warning, suspension, dismissal, demotion, as a result of conduct detrimental to the City.
11. Dismissal: Termination of employment with the City for reasons attributable to the employee.
12. Duty Day: Any day or shift on which an employee is scheduled to be available for work.
13. Employee: Anyone who is salaried for employment with the City of Cannon Beach.
14. Examination: A test for the purpose of evaluating an applicant for an employment vacancy.

15. Full-Time Employee: An employee who works forty (40) hours a week.
16. Grievance: An employee's oral or written expression of dissatisfaction or dispute with the application, meaning or interpretation of a specific provision of this Agreement.
17. Hourly Rate: Rate of compensation for each hour of work performed. It is determined by dividing the annual regular salary by the regular number of hours worked each year.
18. Immediate Family: The husband, wife, children, parents, brother, sister, grandparents, son-in-law, daughter-in-law, mother-in-law, father-in-law.
19. Layoff: A separation from employment because of organizational changes, lack of work, lack of funds, or other reasons not reflecting discredit upon an employee.
20. Month: One calendar month.
21. Non-occupational Disability: Disability from an accident or sickness suffered or contracted by the employee, which cannot be attributed to the performance of assigned duties.
22. Occupational Disability: Disability from an accident or sickness suffered or contracted as a result of the performance of assigned duties.
23. Leave of Absence: Time off from work for reasons within the scope and purpose of this Agreement upon prior approval of the City Manager.
24. Military Leave: Leave of absence for an employee entering reserve military training duty.
25. Part-time Employee: An employee who is employed for less than the regularly scheduled number of working hours, but who normally follows a predetermined, fixed pattern of working hours.
26. Regular Employee: An employee who has been appointed to a regular position following satisfactory completion of the probationary period.
27. Regular Position: A position of indefinite duration as designated in the annual budget.
28. Personnel Action: Any action taken with reference to appointment, compensation, promotion, transfer, layoff, dismissal, or other action affecting the status of employment.
29. Position Specification: A written description of each position, including a title, a statement of objectives, the reporting relationships and the relationships other than reporting.

30. Probationary Period: A working test period during which an employee is required to demonstrate his/her fitness for the duties to which he/she is appointed by actual performance of the duties of the position.
31. Promotion: The change of a position for an employee from a designated position in one salary range to a designated position in a higher salary range.
32. Seniority: Priority of an employee based on the length of the employee's continuous service to the City since the employee's last date of hire.
33. Shift Employee: An employee whose daily hours of work rotate from one shift to another periodically and whose duties are continuous from the start to the end of the shift.
34. Stand-By Time: Those hours that an employee is required to "stand by" in an available manner, to perform work that may be required at any hour during the stand-by time designated, shall be paid at a percentage of the normal employee wage rate.
35. Step System: A system for classification of pay to City employees. Attached hereto is a chart, which is a part of that system. A new employee starts at any Step from 1 to 5a, at the discretion of the City Manager. Exceptional qualifications or experience or a combination thereof shall be necessary to start beyond Step I. So long as an employee's performance is acceptable, the employee shall progress one full step to the right on each successive yearly anniversary date of hire. The entry level for a new employee shall be in accordance with the position classification plan. The level of classification for each position classification shall generally be adjusted by the City Manager vertically on the step chart at the beginning of each fiscal year. Interpolation of the chart vertical steps shall be supplied if necessary. The positions which exist within the classification plan, and those employees who fall within a particular class, shall have the same schedule of compensation applied with equity under like working conditions. Job descriptions of the general classifications shall be available at the City Manager's office.
36. Suspension: Temporary separation of an employee from City service without pay for disciplinary purposes.
37. Temporary Employee: An employee who has been appointed for a limited period not to exceed six (6) months for a full time temporary employee or 1,040 hours of employment in any given calendar year for a part-time temporary employee.
38. Transfer. A change of an employee from one position to another comparable position with the City service.

Physical Examination

Any employee may be required to take a physical examination. In cases where a physical examination is deemed advisable the City shall pay the cost of the examination.

DEPARTMENT RULES

It shall be management's right to establish by department rules, regulations and procedures. Such rules, regulations and procedures shall be in harmony with the provisions of this Agreement and shall be binding on the employee. Before departmental rules, regulations and procedures are adopted, they shall be reviewed and approved by the City Manager.

SAFETY AND HEALTH

The City Manager shall be responsible for the development and maintenance of a safety program. Such program shall include safety regulations and discipline controls. Said program shall be developed in accordance with Federal and Oregon OSHA requirements. Department Heads, supervisors and employees shall guard the safety of themselves, fellow employees and the public. When accidents occur on City property or involving a City employee, City vehicle or City equipment, the employee shall contact his/her supervisor immediately and the supervisor shall complete an accident report form. In case of a motor vehicle accident, the Police Department shall also be notified immediately. The City Manager shall be notified of all accidents involving City employees and City equipment as soon as possible and not later than the next workday.

CLASSIFICATION PLAN

A position classification plan as adopted and amended by the Common Council shall be a part of these rules.

The classification plan shall consist of positions in the City service defined by class specifications and identified by the class titles. The classification plan shall be so developed and maintained that all positions substantially similar with respect to duties, responsibilities, authority, and character of work are included in the same class, and that the same schedules of compensation may be made to apply with equity under like working conditions to all positions in the same class.

Copies of this plan and of specifications for individual classes shall be available in the office of the City Manager. This plan is generally known as the step plan.

The step plan of this City is attached to the Agreement and considered to be part of this document.

The position classification plan shall include titles and written specifications for the various classes of positions as a guide toward equal pay for equal work. Job titles shall refer to a particular position, not to the individual filling a particular position, and shall be used in all personnel, budget and financial records.

Each position shall be allocated to an appropriate class on the basis of the duties and responsibilities of the position.

Each class shall have a specification that includes a concise, descriptive title, and a description of the duties and responsibilities of each position in the class. Position specifications take into consideration the requirements of the job and are merely descriptive and explanatory of the work to be performed. They may not include all of the duties and are not intended to replace detailed work assignments.

EXHIBIT B

**SALARY RANGE SCHEDULE
City of Cannon Beach General Unit**

January 1, 2007 through December 31, 2007 2% increase

Classification	Steps					
	1	2	3	4	5	5A
Accounting Assistant	2435.99	2557.79	2685.68	2819.97	2960.96	3034.99
Administrative Assistant	2810.01	2950.51	3098.04	3252.94	3415.59	3500.98
Administrative Specialist I	2160.37	2268.38	2381.80	2500.89	2625.94	2691.59
Administrative Specialist II	2506.40	2631.72	2763.31	2901.48	3046.55	3122.71
Landscape Specialist	2638.54	2770.47	2908.99	3054.44	3207.16	3287.34
Utility Specialist	3000.16	3150.17	3307.67	3473.06	3646.71	3737.88
Utility Worker I	2339.68	2456.66	2579.49	2708.47	2843.89	2914.99
Utility Worker II	2716.88	2852.73	2995.36	3145.13	3302.39	3384.95

EXHIBIT C

Memo of Understanding
between
The City of Cannon Beach
and
SEIU Local 503, OPEU

This agreement is entered into by the City of Cannon Beach (“the Employer”) and SEIU Local 503, OPEU (“the Union”) to facilitate the transition from using Social Security Numbers (SSN) to identify bargaining unit members to the use of an Employee Identification Number (EIN).

1. The Employer shall provide the union confidence that the EIN is unique to an individual. The Employer shall ensure that an individual worker equates to one EIN and one EIN equates to one individual worker.
2. The Employer shall provide a key to the Union matching all past and current workers by SSN to EIN for the purpose of maintaining continuity. This shall be done prior to the Employer switching from an SSN based system to an EIN based system.
3. The EIN shall have a two-character designation of CB followed by a seven digit number. This will insure that one employer EIN system would not overlap another employer system.
4. The Union currently uses the SSN for identification purposes only. If the Employer provides an EIN in place of a SSN and duplicate EIN’s are detected by the Union, then the Union can request the Employer to resolve potential duplicate records. Such requests shall be granted and the Employer shall resolve such disputes over duplicate records.
5. The Employer shall insure that all support systems within their operation be equipped to handle queries from the Union staff using the employer produced EIN.
6. Upon presentation to the Union of an EIN list of Cannon Beach employees, the Union shall implement the transition within 45 days, and thereafter shall not maintain Social Security Numbers in its system of current member records related to Cannon Beach employees.

Agreed to by:

Leslie Frane, Executive Director
SEIU Local 503, OPEU

Date

Peggy Coats, City Manager
City of Cannon Beach

Date

Exhibit D

Letter of Agreement
between
SEIU Local 503, OPEU, City of Cannon Beach Locals 921 and 922
and
The City of Cannon Beach

The City agrees to pay all workers a one time bonus of 1% of their annual salary. The bonus will be paid in a separate bonus check to be issued June 20, 2007.

Leslie Frane, Executive Director
SEIU Local 503, OPEU

Date

Richard Mays, City Manager
City of Cannon Beach

Date

Exhibit E

Letter of Agreement
between
The City of Cannon Beach
and
SEIU Local 503, OPEU
City of Cannon Beach, Local 921

This agreement is entered into by the City of Cannon Beach (“the Employer”) and SEIU Local 503, OPEU (“the Union”). The parties agree to expand Article 17-PAYDAY of the CBA to include an option at the employee’s discretion to switch to a bi-weekly pay period schedule. The bi-weekly pay day will occur every other Friday in accordance with existing bi-weekly pay schedule. The parties agree that all employees will have full discretion as to whether they will elect to change their pay period to the new option and that both pay period options will be presented to all newly hired employees. All employees shall be able to elect a change between the two pay period schedules once (1) per calendar year.

This agreement shall become effective upon signature of the parties.

Agreed to by:

Leslie Frane, Executive Director
SEIU Local 503, OPEU

Date

Richard Mays, City Manager
City of Cannon Beach

Date