RESOLUTION NO. 2101-07

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WINDSOR AUTHORIZING THE TOWN MANAGER TO EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN THE TOWN OF WINDSOR AND THE TOWN OF WINDSOR SUPERVISORY EMPLOYEES GROUP

WHEREAS, the Town of Windsor ("the Town") has recognized the Town of Windsor Supervisory Employees Group (hereafter "SEG") as the exclusive representative of certain employment classifications in the Town of Windsor; and

WHEREAS, the Town's representatives met and conferred in good faith with SEG representatives for the purpose of negotiating a memorandum of understanding ("MOU") that would cover wages, hours and working conditions applicable to employment classes represented by SEG; and

WHEREAS, the Town's representatives reached a tentative agreement with SEG on a MOU, which tentative agreement has been ratified by the SEG membership; and

WHEREAS, the tentative MOU is subject to approval by the Town Council; and

WHEREAS, the tentative MOU meets with the approval of the Town Council;

NOW, THEREFORE, BE IT RESOLVED that the Town Council of the Town of Windsor hereby authorizes the Town Manager to execute a binding memorandum of understanding between the Town and SEG, with the terms as described in attached Exhibit "A".

PASSED, APPROVED AND ADOPTED this 18th day of July 2007 by the following vote:

AYES:	**COUNCILMEMBERS FUDGE, GOBLE, SALMON AND MAYOR PARKER**
NOES:	**NONE**
ABSTAIN:	**NONE**
ABSENT:	**COUNCILMEMBER ALLEN**

WARIN J. PARKER, MAYOR

ATTEST:

MARIA DE LA O, TOWN CLERK

Attachments:
Exhibit "A": (MOU SEG)

MEMORANDUM OF UNDERSTANDING

BETWEEN

TOWN OF WINDSOR

AND THE

TOWN OF WINDSOR SUPERVISORY EMPLOYEES GROUP

JULY 1, 2007 – JUNE 30, 2011

TABLE OF CONTENTS

Article		Page
1	Purpose	3
2	Union Recognition	3
3	Union Security	3
4	Town Rights	5
5	Wages	5
6	Pay Periods	7
7	Hours of Work and Overtime	7
8	Rest Periods	8
9	Town Vehicle	8
10	Holidays	8
11	Vacations	9
12	Sick Leave	10
13	Family and Medical Leave Policy	11
14	Catastrophic Leave Policy	12
15	Workers' Compensation Policy	12
16	Bereavement Leave	12
17	Jury Duty	12
18	Standby	12
19	Educational Development and Reimbursement for Business Expense	13
20	Working Uniforms	13
21	Retirement	14
22	Deferred Compensation Plans	14
23	Insurances	15
24	Layoff and Recall Policy	16
25	Drug-Free Workplace Policy	17
26	Personnel File Inspection	17
27	Disciplinary Procedures	17
28	Grievance Procedure	20
29	No Strike and No Lockout	22
30	Severability and FLSA Savings	23
31	Term of Agreement	23
-	Appendix "A" – Job Classifications Represented by AFSCME/Local 3910	24
-	Appendix "B" – Reclassification / Recruitment and Retention Adjustments	25
-	Appendix "C" – Schedule of Monthly Wage Incentives	26
-	Appendix "D" – Side Letter re Reorganization	27
-	Enabling Town Council Resolution No. _____	28

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is an agreement between the TOWN OF WINDSOR, hereinafter referred to as "Town", and the TOWN OF WINDSOR SUPERVISORY EMPLOYEES GROUP (affiliated with AFSCME), hereinafter referred to as "SEG".

ARTICLE 1. PURPOSE:

1.1. The purpose of this agreement is to promote the mutual interests of the Town and the employees, and to provide for the operation of the Town's facilities under methods which will further, to the fullest extent possible, the safety and welfare of the employees, economy and efficiency of operations, elimination of waste, realization of an optimum quality and quantity of product and/or service, cleanliness of facilities and protection of property.

ARTICLE 2. UNION RECOGNITION:

2.1. The Town recognizes the Supervisory Employees' Group (affiliated with the American Federation of State, County and Municipal Employees, hereafter "SEG") as the exclusive representative of the full time employees employed in the job classifications attached as Appendix "A". For purposes of this agreement a full time employee is regularly scheduled to work forty (40) hours per week.

2.2. The scope of representation shall include all matters relating to employment conditions and employer-employee relations including, but not limited to, wages, hours and other terms and conditions of employment, except, however, that the scope of representation shall not include consideration of the merits, necessity, or organization of any service or activity provided by law or executive order.

ARTICLE 3. UNION SECURITY:

3.1. Access to Bargaining Units - Both parties agree that SEG shall have reasonable access to the bargaining unit employees. All SEG officials will be required to check with the Town Management prior to visiting with the employees. SEG will make a good faith effort not to disrupt the normal operations of the Town. SEG will notify the Employee Relations Officer in writing within thirty (30) days of any changes in its officers, stewards, mailing address or other information relating to employer-employee relations. If SEG has not made such appointment and notice as provided in the article, the Town will continue to communicate with the last known representatives.

3.2. Voluntary Dues Deduction - Voluntary payroll deductions for membership dues shall be granted by the Town to SEG in accordance with the terms of this article.

(a) Payroll deductions shall be for a specific amount and uniform as between employee members of SEG. Payroll deductions shall be limited solely to membership dues. Dues

deduction shall be made only upon the employee's written authorization on a payroll deduction form provided by SEG and approved by the Town.

(b) Authorization, cancellation or modification of payroll deduction shall be made upon forms provided or approved by the Town Manager or designee. The voluntary payroll deduction authorization shall remain in effect until employment with the Town is terminated or until canceled or modified by the employee by written notice to the Employee Relations Officer. Employees may authorize dues deductions only for the representation organization certified as the recognized representative of the unit to which such employees are assigned. Any dues deduction authorization will automatically terminate in the event that SEG's status as exclusive representative for the bargaining unit members terminates.

(c) Amounts deducted and withheld by the Town shall be transmitted to the office or officer designated in writing by SEG authorized to receive such funds at the address specified.

(d) The employee's earnings must be sufficient, after all other required deductions are made, to cover the amount of the deductions herein authorized. When an employee is in a non-pay status for an entire pay period, no withholdings will be made to cover that pay period from future earnings nor will the employee be allowed to deposit the amount with the Town which would have been withheld if the employee had been in pay status during that period. In the case of any employee who is in a non-pay status during a part of the pay period, and the wage is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other required deductions have priority over SEG dues deduction.

(e) SEG shall indemnify, defend and hold the Town harmless against any claims, demands, lawsuits or any other action initiated against the Town arising from compliance with any of SEG dues provisions of this article.

(f) SEG shall refund to the Town within 30 days any amounts paid to it in error upon presentation of supporting evidence by the Town.

3.3. No Discrimination

(a) There shall be no discrimination by the Town or by SEG in employment conditions or treatment of employees on the basis of membership or non-membership in SEG, or participation or non-participation in the activities of SEG.

(b) SEG shall not restrict its membership based on race, color, ancestry, national origin, religious creed, sex, sexual orientation, age, medical condition (cured or rehabilitated cancer), disability, marital status, political opinion or affiliation, or Union activity, unless such factor is a bona fide occupational qualification for the position, or such action is required to comply with federal or state law.

ARTICLE 4. TOWN RIGHTS:

4.1. The Town reserves, retains and is vested with any management rights not expressly granted to SEG by this agreement, including those rights specified in the Town's Employer-Employee Relations Resolution (EERR).

4.2 Should the Town desire to exercise any of its rights, it may, except for cases of emergencies, give SEG advance written notice of its intentions thereof and may afford SEG an opportunity to meet and confer before the decision is implemented.

ARTICLE 5. WAGES:

5.1. General Wage Increases

(a) The Town shall implement reclassifications and Retention and Recruitment Adjustments as indicated in Appendix "B". Salary adjustments shall be effective July 1, 2007. The side letter regarding Public Works restructuring is attached as Appendix "D."

(b) Effective July 1, 2007, there shall be a general wage increase for all classes of 3.1 percent.

(c) Pursuant to the following schedule, there shall be general wage increases for all classes based on the annual Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers (CPI-W) for the San Francisco - Oakland - San Jose area, as calculated by the U.S. Department of Labor for the period ending April in the prior fiscal year.

(1) July 1, 2008: Minimum 2.5% - Maximum 4.0%
(2) July 1, 2009: Minimum 2.5% - Maximum 4.0%
(3) July 1, 2010: Minimum 2.5% - Maximum 4.0%

5.2. Wages Upon Employment

(a) Except as otherwise provided herein, appointment to any position in any class shall be made at the minimum rate, and advancement to rates greater than the minimum rate shall be within the limits of the wage range for that class.

(b) In exceptional cases, employment of individuals who possess special qualifications higher than the minimum qualifications prescribed for the particular class may be authorized at a higher rate than the minimum with the approval of the Town Manager.

5.3. Wages Upon Promotion

(a) Except as otherwise provided herein, any full-time employee who is promoted to a position of a class allocated to a higher wage range than the class from which the

employee was promoted shall receive the wage step rate of the appropriate range which would constitute an increase of wages most closely equivalent to five percent (5%) of the employee's step rate before promotion, but not less than the minimum wage range for the new class nor greater than the maximum wage of the new class.

(b) An employee who is promoted shall be considered for a merit increase after one year of full-time employment in the new class. The date of promotion shall be the new anniversary date for determination of all subsequent merit increases.

5.4. Merit Advancement Within Wage Ranges

(a) Merit increases within a range shall not be automatic. They shall be based upon merit and shall be made only upon written approval by the employee's manager and the Town Manager. Employees may, upon request, discuss performance evaluations with the applicable Department Head.

(b) Wages upon advancement within the range: Each new full time employee shall be considered for an initial merit increase upon completion of probation. Each such employee shall be considered for subsequent merit increase each year thereafter until the top step is achieved.

5.5. Probationary Period

(a) All new employees shall serve a probationary period of not less than six (6) months, which shall be the final phase of the examination process. The Town Manager may extend the probationary period in writing prior to the end of the probationary period.

(b) After evaluation by the Town Manager and written notice to the probationary employee, qualified employees will be assigned to regular employment status.

(c) Full time regular employees promoted to a new position shall be retained in a probationary status for a period not to exceed six (6) months. The Town Manager may reassign the promoted employee to the prior position any time during the probationary period, and the employee shall commence a new probationary period.

(d) Employees who are promoted to a higher classification, and who are thereafter released during their probationary period, shall have a right of return to a position within the class from which they were promoted, provided: (a) there must be a vacant and funded position in the lower class; (b) the employee must have previously passed probation and had a record of satisfactory performance in the lower class. In addition, if the employee had previously passed probation and holds a record of satisfactory performance in the lower class for at least the five years prior to the promotion, the employee need not serve a new probationary period.

5.6. Wage Incentives

(a) Employees shall receive the wage incentives listed in Appendix "C" for advanced training or certifications regardless of when earned, and for advanced education earned since beginning employment with the Town, until said employee is promoted to a classification which has the indicated achievement as a minimum employment requirement. Wage incentives shall become effective on the first day of a full month following receipt of the certificate or degree.

(b) Payroll must receive copies of renewed certificates no later than the Monday three weeks prior to the certificate expiration. If a certificate has expired and the employee fails to provide a new certificate within the above time, there will be no incentive paid until the employee provides the certificate. There will be no retroactive pay unless the employee can demonstrate that the certificate was earned, but not issued, through no fault or omission of the employee.

ARTICLE 6. PAY PERIODS:

6.1. All employees shall be paid at least bi-weekly, and it is understood that paychecks normally shall be available no later than 12:00 p.m. on the Thursday following the end of a pay period, except when unable to do so due to circumstances beyond the control of the Town.

6.2. Notwithstanding the above, it is agreed that when an employee leaves work early or is absent on a pay day, and such absence or early departure is pre-arranged and approved by the employee's manager, the employee may receive their pay check prior to the regular pay day and time, provided such checks are available for distribution.

ARTICLE 7. HOURS OF WORK AND OVERTIME:

7.1. The normal workday at straight time shall consist of eight (8) consecutive hours of work within a spread of nine (9) consecutive hours, with not less than one-half (½) hour or more than one (1) hour off for a meal at mid-shift, with quitting time adjusted accordingly.

7.2. The normal straight time work week shall consist of five consecutive eight hour days with the normal hours being 8:00 a.m. to 5:00 p.m., Monday-Friday for all personnel. However, the Public Works and Community Services Departments may have alternative hours if there is coverage available at their facilities during the normal work hours as approved by the Town Manager. At the option of the Town, a four ten hour day, three days off or other alternate work schedule may be implemented to provide for extended hours. SEG shall have input to the development of any alternate schedule. An employee assigned to weekend duty may also be assigned as standby and will be compensated at the standby pay rate.

7.3. Whenever reasonably possible, all overtime work must be authorized by the Department Head in advance; when not reasonably possible to receive advance approval for overtime, the employee must promptly report the overtime incurred to the Department Head or designee as

soon as reasonably possible. Overtime pay at the rate of one-and-one-half (1½) times the employee's straight time hourly rate shall be paid for all hours worked in excess of forty (40) hours per week. For the purpose of computing overtime, all hours in paid status shall be considered as hours worked. Alternatively, employees may elect to accrue compensatory time at the rate of one-and-one half (1½) times the number of overtime hours worked.

7.4. Any employee called back to work after completing his or her regularly scheduled work shift shall receive a minimum of two hours pay at an hourly rate of one-and-one-half (1½) times the normal rate. Any employee who is assigned to standby duty shall be compensated at a minimum of two (2) hours pay at an hourly rate of one-and-one-half (1½) times the normal rate for the first call back during a 24 hour standby period. All other call backs during the same 24 hour standby period will be compensated at an hourly rate of one and one half (1½) times the normal rate for the actual time worked, but not less than one (1) hour pay per call back.

7.5. When consulted by phone after work hours on Town business, an employee covered by this MOU shall be compensated for time beyond "de minimus" time, at one and one half (1½) times the normal hourly rate.

7.6. Employees shall be allowed to maintain a balance of up to eighty (80) hours of compensatory time during any fiscal year. Employees may continue to accrue and use comp time during the fiscal year provided the balance never exceeds 80 hours. Accrual and use of comp time must be approved in advance by the Department Head. Employees will be paid at the regular overtime rate for all overtime incurred when the employee's comp time balance is at 80 hours.

7.7. Any employee who is separated from Town service shall be entitled to payment for accrued comp time at the employee's base hourly rate at the time of the employee's separation, less all normal deductions.

ARTICLE 8. REST PERIODS:

8.1. Employees shall be allowed a rest period not to exceed fifteen (15) minutes during each four (4) consecutive hours of work. Rest periods will be scheduled on a daily basis so that the delivery of services is not adversely impacted.

ARTICLE 9. TOWN VEHICLE

With Department Head approval, employees covered under this MOU may use an available Town vehicle to commute and be more readily available to respond to after-hours calls and emergencies.

ARTICLE 10. HOLIDAYS:

10.1. The following days are recognized as paid holidays. Prior to January 1 of each year, the actual days for paid holidays in the upcoming calendar year will be posted by the Town.

(a) New Year's Day - January 1
(b) Martin Luther King Jr. Birthday- 3rd Monday in January
(c) President's Birthday - 3rd Monday in February
(d) Memorial Day - Last Monday in May
(e) Independence Day - July 4
(f) Labor Day - 1st Monday in September
(g) Veterans' Day - November 11
(h) Thanksgiving Day - 4th Thursday in November
(i) Day after Thanksgiving - Friday after Thanksgiving
(j) Day before Christmas - December 24
(k) Christmas Day - December 25
(l) Floating Holiday - At the start of every fiscal year, all full time regular employees will receive two (2) eight (8) hour floating holidays which may be used with the advance approval of the employee's manager. New full time employees hired after January 1 will only receive eight 8 hours of floating holiday time in the first year. Employees who do not use their floating holidays prior to the end of the fiscal year, will not receive any other time off or payment in lieu of these holidays. Provided the employee has exhausted all accrued sick leave, accrued floating holiday hours may be utilized for his/her absence on account of illness or injury.

10.2. Saturday holidays will be observed on Friday. Sunday holidays will be observed on Monday. To qualify for holiday pay an employee shall have worked his regularly scheduled workday before and after the holiday, unless absence on such day is due to the express permission of the Town, or a bona fide illness. The Town may require a doctor's certificate.

10.3. Due to the nature of work handled by the Town, there may be times when an employee will work on a holiday for which they will be paid at one and one half (1½) times the regular rate for the time they work, plus the regular hourly rate for the holiday. In lieu of the holiday compensation of one and one half (1½) times the regular rate, the employee may take next day after the holiday off with pay, subject to prior approval by the Town.

10.4. To qualify for a paid holiday the employee must have been regularly employed in a class represented by SEG for a period of thirty (30) calendar days, or longer, preceding any of the above listed holidays.

10.5. Holidays that occur during an employee's vacation will be treated as a paid holiday rather than as a vacation day.

ARTICLE 11. VACATIONS:

11.1. Paid vacation shall consist of ten (10) working days after one (1) year of employment has been completed; fifteen (15) working days after four (4) years; and twenty (20) working days after twelve (12) or more years.

11.2. Vacation schedules shall be arranged by the Department Head with particular regard to the needs of the service, and whenever possible, with regard to the wishes of the employee, taking into consideration seniority. Every effort shall be made to arrange vacation schedules so that each employee will take as much vacation in each year as accrues to him or her in that year. Each employee's vacation time may be so divided as the needs of their service require or permit.

11.3. No employee may take vacation without advance approval of the Department Head. No employee may take vacation leave in advance of that actually accumulated by him or her at the time such leave is taken. Minimum vacation notice is one (1) week for a three (3) or less days request and two (2) weeks for more than a three (3) day request.

11.4. Each employee who is separated from Town service shall be entitled to payment in lieu of all unused vacation leave which the employee may have accumulated as of the employee's last day of work, and compensation shall be computed on the basis of such employee's regular hourly rate at the time of termination.

11.5. Employees shall be employed by the Town for a minimum of six (6) complete months and shall have completed their probationary period prior to using any vacation.

11.6. Vacation leave is intended to benefit the employee without adverse effect upon the Town. Every employee is encouraged to take his/her vacation leave during the benefit year, that is, the employment year when the vacation is accrued. Any unused vacation leave exceeding twenty (20) days, at the end of the calendar year shall not be carried over to the next year, but will be paid to the employee with the next payroll at the employee's regular hourly rate at such time.

11.7. Subject to verification of illness, an employee who becomes sick during a scheduled vacation may substitute accrued but unused sick leave for the period of sickness. The Town may require the employee to provide written certification for such illnesses, regardless of duration.

ARTICLE 12. SICK LEAVE:

12.1. Each employee shall earn and may accumulate sick leave as follows, with no maximum limit on sick leave accrual:

(a) Hours earned monthly - 8
(b) Hours earned annually - 96

12.2. Sick leave shall not be considered as a right, which an employee may use at his discretion and shall be allowed only in the case of actual sickness or disability. No punitive actions shall be imposed on employees for taking justifiable sick leave.

12.3. For the purpose of charging sick leave, the minimum sick leave chargeable shall be one-half (1/2) working hour. Sick leave must be accrued and available before it can be used. Employees cannot use sick leave that is accruing in the current pay period until after the pay period is completed.

12.4. Employees may use sick leave when they are unable to work because of disability due to a non-industrial sickness or injury.

12.5. On taking sick leave time, employees shall notify their immediate manager either prior to or within one (1) hour after the time set for beginning daily duties.

12.6. The employee using sick leave who is not sick or who has engaged in private or other public work while on sick leave, shall be considered absent without leave and the Town may deduct pay, adjust sick leave time and take appropriate disciplinary action.

12.7. The Town may require, from an employee who has been absent for more than five (5) days, a clearance from a doctor prior to permitting said employee to return to work.

12.8. Earned sick leave credits may, with the approval of the Town Manager, be used by the employee:

(a) During the employee's own incapacity due to illness or injury.
(b) During the time needed by the employee to undergo medical or dental treatment or examination.
(c) During a maternity leave in which the employee or spouse is disabled due to the imminent or actual birth of a child.
(d) When it is necessary for an employee to care for a child, stepchild, spouse or parent of an employee, or a person for whom the employee is entitled to a Federal Income Tax dependent exemption who is ill, injured, needs medical care or accompaniment to a medical appointment. The Town may require written verification from the doctor when using sick leave for this purpose.

12.9. Earned sick leave credits are terminated upon retirement or employee termination. However, at the employee's written request the Town shall credit all accumulated sick leave workdays for the purposes of PERS retirement.

12.10. In the event of a recognized job-related injury or illness, an employee may use accrued sick leave pursuant to the Town's Personnel Policies regarding Workers' Compensation.

12.11. The Town shall integrate paid sick leave with SDI benefits.

ARTICLE 13. FAMILY AND MEDICAL LEAVE POLICY:

13.1. All employees are entitled to FMLA and CFRA leave pursuant to the Town's Personnel Policies.

ARTICLE 14. CATASTROPHIC LEAVE POLICY:

14.1. Employees shall be entitled to catastrophic leave benefits pursuant to the Town's Personnel Policies.

ARTICLE 15. WORKER'S COMPENSATION POLICY:

15.1. Employees shall be entitled to workers' compensation leave benefits pursuant to the Town's Personnel Policies.

ARTICLE 16. BEREAVEMENT LEAVE:

16.1. The Town shall grant leave of absence with pay up to three (3) days where a member of the employee's or spouse's immediate family dies. In the event travel is required of more than 500 miles, employees may use up to an additional two days from their accumulated sick leave balance. For the purposes of this article, the immediate family of employee or spouse is defined as parent, current spouse, child, stepchild, grandparent, brother, sister, current mother-in-law or current father-in-law.

ARTICLE 17. JURY DUTY:

17.1. It is the policy of the Town that regular employees be encouraged to perform service as jurors when summoned for jury duty by a court of competent jurisdiction. Any regular employee summoned for jury duty shall be entitled to a leave of absence with full pay for such period of time as may be required to attend the court in response to such summons. An employee may retain such payment as may be allowed for travel but shall make payable to the Town any and all fees which the employee may receive in payment for service as a juror.

ARTICLE 18. STANDBY:

18.1 An employee assigned to be on standby for call backs for a specified period of time outside of the employee's normal workday shall be eligible for standby pay.

18.2. Standby duty requires that an employee be ready to respond immediately, be reachable by telephone and/or Town pager and be able to report to work within a reasonable period of time. This shall mean typically within thirty (30) minutes of the Town. An employee on standby shall contact the Town's answering service a minimum of two (2) times each day. Employees on standby will be assigned a Town vehicle to take home in order to respond to calls as soon as possible.

18.3. All employees assigned to standby shall be compensated at the rate of two (2) hours straight time pay for each day of standby; weekend standby rates shall be four (4) hours straight time pay for each Saturday, Sunday and holiday when assigned to standby duty.

18.4. When the Town elects to operate without restricted standby duty, all employees shall agree to cooperate and be available when called to return for work as conditions dictate. An employee covered by this MOU shall prepare a list updated every two (2) weeks that includes a schedule for calling employees to return for call back duty.

18.5. Any employee who is assigned to standby duty shall be compensated at a minimum of two (2) hours pay at an hourly rate of one-and-one half (1½) times the normal rate for the first call back during a 24 hour standby period. All other call backs during the same 24 hour standby period will be compensated at an hourly rate of one-and-one half (1½) times the normal rate of the actual time worked, but not less than one (1) hour pay per call back.

ARTICLE 19. EDUCATIONAL DEVELOPMENT AND REIMBURSEMENT FOR BUSINESS EXPENSE:

19.1. The Town will reimburse an employee for the cost of enrollment and related textbooks upon the successful completion of a vocational, high school, junior college, college and/or university course, subject to approval in advance and up to a maximum of $1,000 per fiscal year per employee. Approval will be contingent upon said course being in some way related to the Town work and the receipt of a passing and/or "C" grade whichever is relevant. Further, this will be in addition to any approved seminar attendance. In special circumstances and with adequate security, the Town Manager may authorize pre-payment of said expenses subject to a written agreement for repayment if the required conditions are not met. Additional educational reimbursement or training beyond the $1,000 annual limit may be approved by the Town Manager on a case by case basis.

19.2. Any employee required or authorized to travel in the performance of his or her duties shall be compensated for with necessary traveling expenses at the actual cost including transportation, lodging and meals.

19.3. An employee who is authorized to use a private motor vehicle for travel required in the performance of official duty, shall be reimbursed at the mileage rate established by the United States Internal Revenue Service (IRS) provided the employee maintains the minimum standards for automobile insurance required by the Town.

ARTICLE 20. WORKING UNIFORMS:

20.1. The Town will provide and field employees shall wear at all times when on duty full uniforms to include shirts, 100% cotton denim pants, jacket and baseball cap, as weather conditions dictate. The Town will provide laundry service for uniforms. All uniforms will be removed and stored at the Town's locker room when not being worn. The Town retains the exclusive right to determine the color, style, type and supplier of all uniform pants, shirts, jackets and hats, provided however that a Department Head may discuss with employees covered under this MOU issues related to the type and style of uniform shirts to be worn by them.

20.2. Each fiscal year the Town shall provide a maximum safety footwear allowance of $180 for the purchase of footwear. Such footwear shall meet the American National Standards Institute (ANSI) for safety footwear and shall have a minimum 6-inch top. Safety footwear shall only be worn while performing Town duties. Non-safety footwear may be worn by an employee covered by this MOU when s/he is participating in a meeting, training (except if the training itself necessitates safety footwear), or office project provided the employee has safety footwear available in the event s/he must respond to the field. In order to be eligible for reimbursement for the purchase of safety footwear, employees must submit receipts that clearly identify the safety footwear and receive the approval of a manager.

ARTICLE 21. RETIREMENT:

21.1. The Town is to provide the California Public Employee Retirement System (CalPERS) to all regular full time employees, and shall pay both the employee and employer contribution to PERS. Plan elements are provided below:

(a) PERS credit of 2% per year of PERS membership at age 55.
(b) No Social Security coordination.
(c) 1957 Survivor's Benefits.
(d) 1959 Fourth Level Survivor's Benefits.
(e) Final Compensation determined as highest twelve (12) consecutive months of CalPERS membership.
(f) Ordinary Disability Retirement.
(g) Unused Sick Leave accumulation credit.
(h) 2% maximum annual cost-of-living allowance after retirement.
(i) Pre-retirement death benefit of total contribution plus interest earned return to survivor plus one month's pay for each year in the retirement system up to six (6) years.
(j) Post-retirement death benefit of $500 (in addition to normal retirement benefits).
(k) Termination of Service - may receive refund of member's contributions.
(l) Military Service Credit as Public Service.

21.2. Town shall treat employee contribution to the California Public Employee's Retirement System as employer contribution for Federal and State tax purposes only. The procedure is in compliance with Section 414(h)(2) of the Internal Revenue Code (IRC) and the State of California Revenue and Taxation Code Section 17501.

ARTICLE 22. DEFERRED COMPENSATION PLANS:

22.1. Employees may participate on a voluntary basis in any of the deferred compensation plans offered by the Town. Any contributions made by employees to any deferred compensation plan offered by the Town must be made through employee payroll deductions, using forms approved by the Town.

22.2. The Town will make available to its employees an IRC Section 125 flexible spending account plan during the term of this MOU.

ARTICLE 23. INSURANCES:

23.1 The Town shall provide each full time employee with the following insurances at the levels described below: medical plan; dental plan; vision plan; life insurance; long term disability; supplemental health insurance.

23.2 Medical Plan

(a) During the term of this MOU, the Town will make the following contributions toward premiums for the health care plans made available by the Town's health care plans:

Employee:	100% (any plan)
Employee + 1:	95% (lowest cost plan)
Family:	85% (lowest cost plan)

(b) As of July 2007, the Town offers Kaiser and Blue Cross (through REMIF). The Town will use best efforts to ensure that employees continue to receive substantially comparable coverages during the term of this MOU, and will consult with the Union upon request relative to this issue.

23.3 Dental Plan

(a) During the term of this MOU, the Town will make the following contributions toward premiums for the Town's dental plan: 100%.

(b) As of July 2007, the Town offers Delta Dental through REMIF. If the Town changes from Delta Dental, the Town will notify the Union. The Town will use best efforts to ensure that employees continue to receive substantially comparable coverage to Delta Dental during the term of this MOU, and will consult with the Union upon request relative to this issue.

23.4 Vision Plan

(a) During the term of this MOU, the Town will contribute 100% of the premium for Vision Service Plan made available by the Town. If not covered by the plan, safety glasses will also be provided to all maintenance and operations personnel.

23.5 Life Insurance. During the term of this MOU, the Town will provide a plan with $40,000 lump sum death benefit. On a voluntary basis, employees may purchase additional life insurance coverage beyond the $40,000 lump sum death benefit provided by the Town using the Town's group plan. The premium for additional life insurance coverage shall be paid through employee payroll deductions.

23.6 Long Term Disability. During the term of this MOU, the Town will continue to pay the entire premium for long term disability insurance coverage for employees.

23.7 Supplemental Health. During the term of this MOU, on a voluntary basis employees may choose to purchase supplemental health, disability, life and other insurances from the American Family Life Assurance Company of Columbus (AFLAC), or other company (hereafter "Insurance Company."). All of the costs to obtain supplemental insurances will be paid by the employee, with no financial contribution from the Town. Premiums and any other charges for supplemental insurances will be paid by individual employees through payroll deductions, on forms approved by the Town and submitted to the Town Manager or designee. This voluntary payroll deduction shall remain in effect until employment with the Town is terminated or a written authorization, modification or cancellation is received by the Town Manager or designee. The Town agrees to make payments to the Insurance Company of the specific amount deducted and withheld as authorized in writing by the employee. This deduction will be made only if the employee's earnings are sufficient and after all other required deductions are made. All other required deductions have priority over the supplemental health insurance premium deduction. The Town shall not be responsible or liable for any claims, demands, lawsuits or any other action initiated against the Town by the employee or the Insurance Company regarding such supplemental insurances; but the Town will provide information on payments made to the Insurance Company on behalf of an employee if requested in writing by either party to resolve a dispute over payments of premiums.

23.8 Retirement Health Savings Account. During the term of this MOU, the Town will meet with the Union to attempt to make available a Retirement Health Savings Account ("RHSA") plan available to employees. The parties will explore whether contributions may be made by employees on a voluntary basis to such plan.

23.9 Flexible Spending Account. During the term of this MOU, the Town will make available a Flexible Spending Account program (IRC section 125). Contributions may be made by employees on a voluntary basis to such program. The Town currently absorbs the monthly administration fee for this benefit.

23.10 Miscellaneous. During the term of this MOU, the Town shall continue to provide coverages that are the same or substantially equivalent to those described above, provided such coverages continue to be available.

ARTICLE 24. LAYOFF AND RECALL POLICY:

24.1. Whenever in the sole judgment of the Town Council it becomes necessary to abolish any position that is held by a full time regular employee due to a reorganization, lack of work or funds the employee holding said position may be laid off or demoted without disciplinary action and without the right of appeal. Whenever possible, employees will be given at least thirty (30) days notice of any layoff.

24.2. When a layoff involves a position classification held by more than one person, layoffs will be made on a reverse order of seniority. Seniority will be determined by including all periods of full time regular service at or above the classification level where the layoff is to occur. Periods of leave on account of illness or injury for which the employee was entitled to, and did receive, Worker's Compensation benefits shall be included in the calculation of service for seniority purposes.

24.3. An employee affected by a layoff will have the right to displace an employee in the same department who has less seniority in either a lower classification in the same classification series or a lower classification in which the affected employee once had full time regular status. Employees retreating to a lower or similar classification will serve a probationary period as defined in Article 5, unless the employee has successfully completed a probationary period in the same or lower classification. Employees retreating to a lower or similar classification will be placed at a wage range and step for the new position that represents the least loss of pay.

24.4. Persons laid off or demoted in accordance with this policy will have their names kept on a re-employment list for two (2) full years from the date of layoff or demotion. The re-employment list will be used by the Town when a vacancy arises in the same or lower classification of position in the department where the layoff originally occurred before seeking promotional and/or general applications from others.

ARTICLE 25. DRUG-FREE WORKPLACE POLICY:

25.1. The Town maintains a drug and alcohol free workplace pursuant to its Personnel Policies and Procedures.

ARTICLE 26. PERSONNEL FILE INSPECTION:

26.1. An employee may inspect the contents of his/her "Official Personnel File" only by appointment with the Town's Personnel Officer and with the permission of his/her immediate manager. Employees will make every effort not to disrupt the work activities of the Personnel Department or the employee's department when scheduling such a review. An employee may designate another individual to inspect his/her personnel file provided written authorization is submitted to the Personnel Officer.

26.2. The Town will provide copies to employees of reprimands, letters of discipline or other documents reflecting negative information regarding the employees upon their inclusion in personnel files

ARTICLE 27. DISCIPLINARY PROCEDURES:

27.1. The Town believes that any agreement must provide a formalized system based on corrective, progressive discipline. Only an employee who has successfully completed the required probationary period and attained regular employee status shall have the right to file an appeal. Whenever the term "employee" is used it shall mean a regular full time employee who

has successfully completed his/her probationary period. Corrective actions are intended to obtain compliance with established rules of conduct. Violations of the rules should be viewed from the perspective that corrective or disciplinary action taken should be limited in severity commensurate with the alleged infraction(s). There are two types of disciplinary action: informal and formal.

27.2. Informal Action - There are three types of informal disciplinary action: oral reprimand, written reprimand or a special performance review. Where a rule, order, standard of conduct or performance requirement has been violated, an oral or written reprimand may be appropriate. The manager shall make it clear that the conduct is unacceptable and repetition is inappropriate. If necessary, a warning will be given that stronger informal action may be taken in the future. When oral or written reprimands have failed to correct a pattern of unacceptable behavior, a special performance review may be appropriate. The development of a specific improvement plan, including target dates for correction of unacceptable job performance, is the essential part of this special performance review. Informal disciplinary action shall not be subject to appeal.

27.3. Formal Action - The Town may take formal disciplinary action to suspend, reduce the pay of, demote or dismiss an employee for just cause including but not limited to those grounds specified in the Town's Personnel Policies and Procedures. The procedure for formal disciplinary action shall be as follows:

(a) Initial investigation - An alleged violation of policy, procedure, rules, regulations or laws shall be investigated by the employee's manager. The employee's manager shall complete a written report of the investigation, including the specific rule, policy or procedure violated, all available facts, statements of witness, and employee's statement. This information shall be forwarded to the next level manager, typically the Department Head, within ten (10) working days of the initial investigation.

(b) Department Head Review - The Department Head shall review all written documents and other relevant information and may interview the employee to insure that all facts are adequately addressed. If the facts are accurate, the Department Head shall indicate concurrence or modification of the recommended disciplinary action in writing within three (3) working days.

(c) Town Manager Review - The Town Manager shall review the recommendation of the Department Head and evaluate and determine the appropriateness of the disciplinary action proposed. Following the Town Manager's approval, a Notice of Intent to Render Discipline shall be forwarded by the Department Head to the employee and designated Union representative.

(d) Notice of Intent to Render Discipline - A Notice of Intent to Render Discipline issued to an employee must include the following:

A statement that clearly defines the intent to take action, the specific action to be taken, and the proposed date of the action. In cases of suspension, the proposed beginning and

ending time should be stated specifically. A statement of (and preferably the quoting of) the rule or regulation that has allegedly been violated. A statement of the specific action or charges which allegedly constitute a violation of the rule or regulation. A description of the records and documents upon which the proposed action is based, and a statement that the records are attached. Records and documents may not be attached with the notice if voluminous, but will be available to the employee upon request.

(e) Employee response - Upon receipt by an employee of a Notice of Intent to Render Discipline, an employee shall be allowed ten (10) working days from the date of receipt to respond either in writing or orally. The employee shall by his/her signature acknowledge receipt of said notice. Failure to respond within ten (10) working days of receipt of a Notice of Intent to Render Discipline shall forfeit further right of a pre-disciplinary hearing.

(f) Oral response - If the employee, or his/her designated representative, requests the right to respond orally to the Department Head, imposition of proposed discipline shall be deferred until after any meeting. If the employee elects to respond in writing, imposition of discipline shall be deferred until receipt and review by the Department Head of the written response.

(g) Pre-disciplinary hearing - Where a written or oral response has been elected, the Department Head has the responsibility to conduct a pre-disciplinary hearing. It is the Department Head's responsibility to coordinate the scheduling of the investigation including the date, time and place, and forwarding of notices of such information to the employee and designated Union representative within ten (10) working days of the employee's request. The Department Head or designated representative shall conduct the hearing informally and hear appropriate testimony on the specific issues(s) of the appeal. The Department Head's responsibility includes the findings of fact and forwarding of recommendations (s) for disciplinary action to the Town Manager within three (3) working days after the hearing.

(h) Notice of Disciplinary Action - The Town Manager shall consider the findings of fact and recommendation(s) of the Department Head and impose or authorize appropriate disciplinary action. The Town Manager's decision must be determined in writing within two (2) working days after receiving the Department Head's recommendation, and shall be forwarded to the Department Head. The Department Head shall impose the final discipline authorized by the Town Manager by serving the employee a Notice of Disciplinary Action specifying the date(s) upon which the disciplinary action will be imposed. The Notice of Disciplinary Action shall also inform the employee of his/her right to appeal and shall further inform the employee of any time limitations within which the Notice of Appeal must be filed.

(i) Employee appeal - An employee who has received a Notice of Disciplinary Action (for a suspension of more than two days, a reduction in pay step, demotion to a lower job class or dismissal) may, within ten (10) working days of receipt of such notice, appeal

the disciplinary action to the Town Manager. The Town Manager shall refer the matter to an impartial hearing officer for the purpose of convening an appeal hearing, developing a record as appropriate, and making a recommendation to the Town Manager. The neutral hearing officer shall be jointly selected by the Town Manager and the appellant (or SEG if it is representing the appellant in his/her appeal). Costs of the hearing officer, and transcript if any, shall be borne equally. The Town Manager shall consider the hearing officer's recommendation, and may adopt the recommendation, or issue any decision in his/her discretion. The Town Manager's decision shall be final.

27.4. General Conditions

(a) An employee may be placed on administrative leave with pay pending the final disposition of any formal disciplinary action at any point in the process.

(b) This procedure shall not preclude emergency suspensions without notice and hearing where the continued presence of the employee would present a hazard to employees, the public or the Town. When an emergency suspension is imposed, the employee shall be assured of due process in accordance with this procedure.

(c) Time limits may be extended by mutual agreement in writing or by the Town Manager when a written request for such an extension is submitted prior to the expiration of the applicable time period.

(d) This is the sole procedure governing discipline and supersedes all previous provisions.

ARTICLE 28. GRIEVANCE PROCEDURE

28.1. Definition - A grievance shall be defined as any dispute which involves the interpretation or application of any provision of this Memorandum of Understanding, excluding the interpretation of ordinances, resolutions, rules and regulations and other policies adopted by the Town.

28.2. Processing - A grievance shall be processed as follows:

(a) All grievances must be initiated by the affected employee(s) ("grievant(s)"), or by SEG on behalf of one or more employees specified in the grievance, within fifteen (15) days from the date of the action or occurrence giving rise to the grievance or within fifteen (15) days of when the employee(s) knew or could have reasonably discovered such action or occurrence.

(b) Time limits specified in each step of the grievance procedure shall be strictly observed and may only be extended by mutual agreement of the parties in writing.

(c) Failure of a grievant to observe a time limit shall terminate the grievance. Failure of the person to whom the grievance is submitted to observe the time limits shall give the grievant the right to move the grievance to the next level.

(d) All references to "days" are to calendar days.

28.3. Steps of Grievance Procedure.

(a) Step One - The grievance shall first be discussed on an informal basis by the grievant with the employee's immediate manager within fifteen (15) days from the date of the action causing the grievance. The immediate manager shall respond within seven (7) days.

(b) Step Two - In the event the employee believes the grievance has not been satisfactorily resolved, the employee or Union shall submit the grievance in writing to the Department Head within seven (7) days after receipt of the immediate manager's response at Step One. The written grievance shall:

(1) Fully describe the grievance and how the employee was adversely affected by the Town;
(2) Set forth the section(s) of this MOU allegedly violated;
(3) Indicate the date(s) of the incident(s) grieved; and
(4) Specify the remedy or solution to the grievance sought by the employee.

The Department Head shall respond to the written grievance in writing within seven (7) days of receipt date of the written grievance. The written response shall include a statement of the immediate manager's position and the facts upon which it is based and the remedy or correction which has been offered, if any.

(c) Step Three - If the grievant is not satisfied with the response at Step Two, the grievant or SEG may appeal the decision of the Department Head to the Town Manager; provided, however, that SEG must give written approval of any such appeal. Such appeal must be filed in writing with the Town Manager within ten (10) days of the date of the Department Head's decision. If either the Town or SEG elects, the grievance shall be referred to an impartial hearing officer who shall be jointly selected by the parties. Such hearing officer shall conduct a formal hearing, which shall not be open to the public, and shall prepare a proposed decision. In the event the matter is referred to an impartial hearing officer, the Town Manager shall consider the proposed decision, and may adopt, modify or reject the proposed decision.

28.4. Miscellaneous

(a) All grievances that involve the payment of compensation shall be filed in writing. No adjustment of compensation shall be retroactive for more than sixty (60) days from the date of filing such grievance.

(b) All costs of the hearing officer and the court reporter shall be borne equally by the parties. Each party shall bear the cost of its own presentation, including preparation and post hearing briefs, if any.

(c) The Town Manager's decision shall be issued in writing and shall be mailed by first class mail, postage prepaid to the grievant together with a certificate of mailing. The decision shall be final on the date of mailing.

(d) The time to seek review of the Town Manager's decision shall be governed by Code of Civil Procedure section 1094.6.

(e) The Town Manager may delegate any responsibility imposed under this MOU section.

(f) If the affected employee agrees, SEG may attend any grievance step meeting with the Town.

ARTICLE 29. NO STRIKE AND NO LOCKOUT:

29.1. During the period of this agreement, there shall be no strikes, work stoppages, slow downs, picketing or similar disruptions in the operations of the Town's facilities either by SEG or the employees.

29.2. No officer or representative of SEG shall authorize, instigate or condone any strikes against the Town while this agreement remains in effect.

29.3. There shall be no lockouts during the term of this agreement by the Town.

29.4. The Town shall be under no obligation to bargain with SEG concerning employees who go on strike or concerning the subject of any strike so long as the strike continues during the term of this agreement.

29.5. The Town may discipline or discharge any employee engaged in strike activities against the Town during the term of this agreement, and such action shall not be subject to review upon any ground other than whether or not the employee participated in such strike activities.

29.6. SEG understands and agrees that it shall be liable for damages, including reasonable attorney's fees and court costs in the event of any unauthorized strike, work stoppage, slowdown, picketing or similar interference with operations of the Town which have been authorized and/or condoned by SEG and which occur during the life of this agreement.

ARTICLE 30. SEVERABILITY AND FLSA SAVINGS:

30.1. Should any part of this agreement be rendered or declared illegal or invalid by legislation or decree of a court of competent jurisdiction, this invalidation shall not effect the remaining portion of this agreement.

30.2. This MOU shall be interpreted to comply with the minimum requirements of the Fair Labor Standards Act (FLSA).

30.3. The Town and SEG believe that this MOU, and all of the Town's related pay practices, comport with the requirements of the FLSA. However, in the event any person initiates litigation claiming that the MOU contains a provision that does not comply with the FLSA, the Town may require a reopener regarding the item at issue to negotiate, as needed, to ensure compliance with the FLSA.

ARTICLE 31. TERM OF AGREEMENT:

This agreement shall become effective as of the date approved by the Town Council, and shall continue in full force and effect through June 30, 2011.

The parties affix their signatures below as constituting mutual agreement and acceptance of this Memorandum of Understanding effective JULY 18 2007, upon approval by the Town Council.

On behalf of
Town of Windsor:

Matthew Mullan, Town Manager

On behalf of
Supervisory Employees'
Group/AFSCME:

Mike Cave

Recommended by:

James McAdler
Administrative Services Director

Mary Coburn

Linda Gregory
AFSCME District Council 57

Appendix "A"

Town of Windsor Job Classifications Represented by SEG

Maintenance Supervisor
Water/Wastewater System Supervisor

Appendix "B"

Reclassifications

None

Retention and Recruitment Adjustments (RRA)

Classification	Monthly RRA 2007-08	Monthly RRA 2008-09	Monthly RRA 2009-10	Monthly RRA 2010-11
Maintenance Supervisor	$75.00	$75.00	$75.00	$75.00
Water/Wastewater System Supervisor	$475.00	$475.00	$475.00	$475.00

Appendix "C"					
Town of Windsor Schedule of Monthly Pay Incentives for Certificates					
For Job Classifications Represented by SEG					
Effective July 1, 2007					
Position:	Maintenance Supervisor	Water System Supervisor	Wastewater System Supervisor	All Represented Employees	Maintenance Supervisor
WATER OPERATIONS					
DHS Water Distribution Operator Certificate Grade D1	-	-	-	-	-
DHS Water Distribution Operator Certificate Grade D2	-	-	-	-	-
DHS Water Distribution Operator Certificate Grade D3	MQ	-	-	-	-
DHS Water Distribution Operator Certificate Grade D4	$175	MQ	-	-	-
DHS Water Treatment Operator Certificate Grade T1	-	-	-	-	-
DHS Water Treatment Operator Certificate Grade T2	-	-	-	-	-
DHS Water Treatment Operator Certificate Grade T3	-	MQ	-	-	-
DHS Water Treatment Operator Certificate Grade T4	-	$175	-	-	-
DHS Wastewater Treatment Operator Certificate Grade I	-	-	-	-	-
DHS Wastewater Treatment Operator Certificate Grade II	-	-	-	-	-
DHS Wastewater Treatment Operator Certificate Grade III	-	-	-	-	-
DHS Wastewater Treatment Operator Certificate Grade IV	-	-	MQ	-	-
WATER RECLAMATION OPERATIONS					
CWEA Collection System Maintenance Grade 1	-	-	-	-	-
CWEA Collection System Maintenance Grade 2	$75	-	-	-	-
CWEA Collection System Maintenance Grade 3	150	-	150	-	-
CWEA Collection System Maintenance Grade 4	175		175	-	-
CWEA WW Treatment Plant Maintenance Grade 1	-	-	-	-	-
CWEA WW Treatment Plant Maintenance Grade 2	-	-	-	-	-
CWEA WW Treatment Plant Maintenance Grade 3	150	-	150	-	-
CWEA WW Treatment Plant Maintenance Grade 4	200	-	200	-	-
CWEA WW Environmental Compliance Inspector Grade 1	-	-	-	-	-
CWEA WW Environmental Compliance Inspector Grade 2	-	-	-	-	-
CWEA WW Environmental Compliance Inspector Grade 3	-	-	-	-	-
PARKS & FACILITIES DIVISION					
Playground Inspection Certificate	-	-	-	-	$25
Pool Operator Certificate	-	-	-	-	25
Qualified Applicator Certificate or License	-	-	-	-	25
Water Auditor Certification	-	-	-	-	25
ADVANCED EDUCATION					
Bilingual Certificates					
Office staff	-	-	-	$100	-
Field staff	-	-	-	50	-
Advanced Degrees					
Associate Degree	-	-	-	25	-
Bachelor Degree	-	-	-	50	-
Master Degree	-	-	-	50	-
MONTHLY ALLOWABLE MAXIMUM PER EMPLOYEE	450	175	450	N/A	75
MQ = Certification level required as minimum qualification					

Appendix "D"

SIDE LETTER REGARDING REORGANIZATION

In connection with certification requirements and directions imposed by the State Department of Health Services, the Town has indicated to SEG that it will implement a reorganization of certain water and wastewater – related programs in the Department of Public Works. This reorganization will occur after the effective date of the memorandum of understanding ("MOU").

The Town wishes to provide assurances to SEG that there will be no negative economic consequences for SEG members as a result of this reorganization. Accordingly, the parties agree as follows:

1. SEG will be given advance notice and an opportunity to discuss the reorganization. The Town will meet and confer with SEG regarding wages, hours and working conditions to the extent required by law. The Town intends that these discussions occur expeditiously – i.e., the intent is to complete implementation of the reorganization within six months.

2. No SEG represented employee will suffer a loss in compensation as a result of the reorganization. Incentives in place at the time of the reorganization will continue in effect during the term of the MOU.

3. The Water System Supervisor ("WSS") class will receive a $475 per month Retention and Recruitment Adjustment ("RRA") ($175 is attributable to the loss of an incentive) effective on the date the WSS assumes new responsibilities as Chief Operator.

4. The Wastewater System Supervisor class – currently unfilled – will receive a $475 per month RRA.

5. The Maintenance Supervisor class will receive a $75 per month RRA.

6. Nothing in this Side Letter shall serve as precedent or past practice regarding the Town's obligation to meet and confer in the context of reorganizations. Nothing in this Side Letter shall be construed to detract from the Town's management rights.

Town / SEG Side Letter
July 1, 2007 through June 30, 2011

PILOT WELLNESS PROGRAM

In recognition of the extraordinary work efforts by supervisory employees, and the overall importance of physical and mental fitness, the Town will sponsor a pilot wellness program for the term of this MOU. The objectives of the plan are to reward supervisory employees for their dedication to the Town and its mission; to promote wellness, including employees' physical and mental fitness; and to reduce absenteeism.

For the term of this MOU, the Town will reimburse employees for up to $400 annually toward a health club membership. The health club must be a bona fide fitness facility approved by the Town, and employees must pledge that they are regularly using the facility. Employees must provide receipts and other documentation as required by the Town.

7-18-07
SEG Date

7/18/07
Town Date

Town / SEG Side Letter
July 1, 2007 through June 30, 2011

HEALTH CARE

It is not the Town's intent to negotiate higher co-pays in order to lower the cost of health care premiums. During the term of this MOU, in the event there are material increases in health care costs (including co-pays and deductibles), the Town agrees to provide reasonable notice to SEG, and to meet with SEG to discuss impacts and possible alternatives.

7-18-07
SEG Date

7/18/07
Town Date