NRS 288.153 Agreement must be approved at public hearing; publication of documents and materials by governing body; report of fiscal impact of agreement.

- 1. Any new, extended or modified collective bargaining agreement or similar agreement between a local government employer and an employee organization must be approved by the governing body of the local government employer at a public hearing.
- 2. Not less than 3 business days before the date of the hearing, the governing body shall cause the following documents to be posted and made available for downloading on the Internet website of the local government or, if the local government does not have such a website, deposited with the clerk of the governing body:
- (a) The proposed agreement and any exhibits or other attachments to the proposed agreement;
- (b) If the proposed agreement is a modification of a previous agreement, a document showing any language added to or deleted from the previous agreement; and
- (c) Any supporting material prepared for the governing body and relating to the fiscal impact of the agreement.
- 3. Any document deposited with the clerk of the governing body pursuant to subsection 2 is a public record and must be open for public inspection pursuant to <u>NRS</u> 239.010.
- 4. At the hearing, the chief executive officer of the local government shall report to the governing body of the local government the fiscal impact of the agreement.

(Added to NRS by 2009, 2359; A 2015, 329)

<u>MEMORANDUM</u>

TO:

Board of Trustees

THROUGH: Indra Winquest

General Manager

FROM:

Paul Navazio

Director of Finance

Erin Feore

Interim Director of Human Resources

SUBJECT: Review, discuss and possibly approve the Bargaining Agreement for

Supervisory Bargaining Unit, Operating Engineers Local Union No. 3

DATE:

May 6, 2021

I. RECOMMENDATION

That the Board of Trustees makes a motion to authorize the Board Chairman and Board Secretary to execute a bargaining unit agreement with the Operating Engineers Local Union No. 3 for the Supervisory employees as negotiated by the IVGID Management Team.

II. BACKGROUND

As you are aware, IVGID's Management Staff and the employees in the Supervisory bargaining unit have been meeting since July 2020 to negotiate the labor agreement. We have reached a multiyear contract with the bargaining unit that will takes us through June 30, 2023.

The following summarizes the terms of the new agreement impacting compensation:

- Cost of Living Adjustment (COLA) Increase: A floor of 1%, up to the change in the annual March-to-March index provided by the Bureau of Labor Statistics U.S. City Average, All Items, for Urban Wage Earners (CPI-W).
- Performance based increase in wages based on goal and evaluation ratings of either 0%, +2%, or +4% effective July 1, 2020.

Review, discuss and possibly approve -2the Bargaining Agreement for Supervisory Bargaining Unit with the Operating Engineers Local Union No. 3

- Employees exceeding Maximum Annual Salary wages, per the matrix, will have performance (merit) increases awarded as lump sum payments.
- Increase Pension Plan from 12.3% to 13.3% effective first payroll after full pay period that the contract is approved.

In addition, the new agreement addresses several non-financial items, summarized as follows:

- Cleaned up language on COLA increases, jury duty compensation, and approved vacation.
- Added Nationwide State, or Local Emergency, and Critical Infrastructure Essential Workers language.

III. FINANCIAL IMPACT

The financial impact of the negotiated agreement is estimated to result in an increased cost of \$38,172 over the three-year term, which equates to an average annual increase of \$12,724.

The increased cost for the first year of the agreement is estimated at \$9,156, and is within the funding provided in the approved FY2020/2021 budget. The increased cost in the second year and third year of the agreement will be factored into the budgets for FY2021/22 and FY2022/23, respectively.

Approximately 83% of the cost of the new agreement for this bargaining group will be funded through the Utility Fund (Fund 200), and 17% is initially funded by the Fleet Internal Service Fund (Fund 410).

V. <u>COMMENTS</u>

The union membership ratified the terms of agreement by majority vote. This is a General Business item in accordance with Nevada Revised Statutes Chapter 288.153.

MEMORANDUM OF UNDERSTANDING

BETWEEN AND FOR

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

AND THE

OPERATING ENGINEERS LOCAL UNION NO. 3

SUPERVISOR'S BARGANING UNIT

July 1, 2020 through and including June 30, 2023

TABLE OF CONTENTS

SECTION 1.	TITLE Recognition	<u>PAGE</u>
2.	Subordination	
3.	Non-Discrimination	
4.	Shifts, Hours, Overtime, and Working Conditions	3
5.	Holidays	3
6.	Salaries	4
7.	Certifications	6
8.	Layoffs	6
9.	Leaves	7
10.	Union Rights	9
11.	Discipline and Discharge	10
12.	Grievances	12
13.	Cessation of Work	13
14.	Health and Welfare	13
15.	Pension	14
16.	Management Rights	14
17.	Terms of Agreement	15
18.	Agreement Binding Upon Parties	16
	Exhibit A: Union Salary Ranges, Effective July 1, 2020 Exhibit B: Union Salary Grid and Supervisory Responsibility:	17
	Supervisory Bargaining Unit	18
	Exhibit C: Pay-For-Performance Matrix – Fiscal Year 2020 to 2023. Exhibit D: Grievance Form	
	Exhibit E: Consanguinity/Affinity Chart	

THIS AGREEMENT is by and between INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT, hereinafter called the "Employer," and OPERATING ENGINEERS LOCAL UNION NO. 3 of the International Union of Operating Engineers, AFL-CIO, hereinafter called the "Union."

WITNESSETH

WHEREAS, the Employer desires to enter into an Agreement in order to assist the Employer to obtain competent and efficient Employees to stabilize conditions of employment, and to foster and maintain harmonious relationships between Employer and its Employees.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein contained, the parties hereto hereby agree as follows:

1. RECOGNITION

1.1 Employer recognizes the Union as the sole and exclusive agent of its full-time regular supervisory personnel, which oversee the trades and maintenance employees in the utility pipeline, utility plant, utility equipment, and fleet divisions, and excluding all temporary, part-time, and seasonal personnel. This agreement shall only apply to the supervisory positions listed in Exhibit B.

2. SUBORDINATION

2.1 It is understood that Employer is a quasi-municipal corporation organized under the provisions of NRS Chapter 318. This Agreement is subject to any applicable provisions of Nevada laws that govern general improvement districts. Any provision of this Agreement in conflict with the laws governing general improvement districts shall be considered null and void.

3. NON-DISCRIMINATION

3.1 No Employee shall be discriminated against by the Employer, the Union, or the Employees because of sex, race, color, religion, age, disability, sexual orientation or national origin.

4. SHIFTS, HOURS, OVERTIME, AND WORKING CONDITIONS

4.1 All Employees will be entitled to all applicable contagious disease control shots if so desired, at no cost to the Employee.

5. HOLIDAYS

5.1 The following shall be considered as paid holidays under this Agreement and when no work is performed on these days, an Employee shall be paid for his regular scheduled shift at his regular straight-time rate of pay: New Year's Day, Martin

Luther King, Jr. Day, Presidents' Day, Memorial Day, Fourth of July, Labor Day, Nevada Day, Veterans Day, Thanksgiving Day, the day after Thanksgiving, and Christmas Day. Should any of these holidays fall on Sunday, the following Monday shall be considered a paid holiday. Should any of these holidays fall on Saturday, the preceding Friday shall be considered a paid holiday.

- 5.2 In order to be eligible for holiday pay when no work is performed, an Employee must work or be available for work on the last regular work day immediately prior to a holiday and the first regular work day immediately following that holiday unless the Employee shall have been unavailable for work because of: illness or injury sustained by a doctor's certificate showing Employee was unable to work for a period not to exceed thirty (30) days; absence (other than leaves of absence) when authorized by the Employer; and serious illness or death in the Employee's immediate family.
- 5.3 To be eligible for pay for holidays not worked, an Employee must be in the regular employ of the Employer immediately prior to said holiday. If a holiday for which pay is due falls during an Employee's scheduled vacation, then the Employee shall receive an additional day off with pay.

6. SALARIES

- 6.1 The salary range listed in Exhibit A is hereby made part of this Agreement, and shall become effective on July 1, 2020. Notwithstanding annual adjustments in accordance with Subsection 6.6, these salary ranges shall be established so that a ten percent (10%) minimum differential is maintained between the Supervisor-level position and the highest-grade position under that Supervisor's direct supervision, as identified in Exhibit B. The differential shall be calculated at the mid-points of the respective ranges.
- 6.2 Job classifications shall have the salary grades listed in Exhibit B.
- 6.3 Upon commencement of full-time, permanent work for Employer, a new Employee shall be paid the minimum of the salary grade. At the Employer's discretion, a new Employee with exceptional experience, capabilities or knowledge may be assigned to a rate above the minimum of the salary grade.
- 6.4 Employees shall hold probationary status for the first twelve months following appointment. Probationary Employees may be terminated without cause. Satisfactory performance during the probationary period, as determined by the Employee's immediate superior through a performance evaluation at the completion of the twelve-month interval, shall remove the Employee from probationary status. Any probationary Employee receiving an unsatisfactory evaluation may be terminated.

6.5 Upon movement of an Employee from one job classification to another with a higher salary grade, the Employee will move to the greater of (1) the minimum of the new salary grade or to (2) a rate in the new salary grade that provides a salary increase of at least 5% for an upward movement of one grade or 10% for an upward movement of two grades or more. Upon movement of an Employee from one job classification to another with a lower salary grade, the Employee shall receive the commensurate rate in the new salary grade that the Employee had in the former salary grade. No change in anniversary date shall occur.

6.6 Salary increase:

6.6.1. Effective date of Future Salary Increase:

The salary range listed in Exhibit A is hereby made part of this Agreement, and shall become effective on July 1, 2020:

July 1, 2020 COLA increase. Retro to July 1, 2020:

The salary increases will be adjusted upward according to the following annual adjustments: Beginning July 1, 2020. The CPI percentage shall be based upon the actual BLS consumer price indexes Pacific Cities and U.S. City Average in the urban wage earners CPI-W in the chart with March 2020 being the baseline to take effect July 1, 2020, with a floor of 1.0%.

A merit salary increase shall be awarded per the matrix, (Exhibit C) on the employee's annual review date, based on performance.

July 1, 2021 COLA

The salary increases will be adjusted upward according to the following annual adjustments: Beginning July 1, 2021. The CPI percentage shall be based upon the actual BLS consumer price indexes Pacific Cities and U.S. City Average in the urban wage earners CPI-W in the chart with March 2021 being the baseline to take effect July 1, 2021, with a floor of 1.0%.

A merit salary increase shall be awarded per the matrix, (Exhibit C) on the employee's annual review date, based on performance.

July 1, 2022: COLA

The salary increases will be adjusted upward according to the following annual adjustments: Beginning July 1, 2022. The CPI percentage shall be based upon the actual BLS consumer price indexes Pacific Cities and U.S. City Average in the urban wage earners CPI-W in the chart with March 2022 being the baseline to take effect July 1, 2022, with a floor of 1.0%.

A merit salary increase shall be awarded per the matrix, (Exhibit C) on the employee's annual review date, based on performance.

If July 1st falls within the first seven days of the pay period, pay will be effective the current pay period.

If July 1st falls within the second week of payroll, the pay will be the first of the following pay period.

Example: June 25th through July 1st the increase would take effect the first day of the current pay period.

Once an employee reaches the maximum annual salary based on current position and grade, the performance increases would be awarded as a lump sum check, calculated by multiplying the employee's maximum annual salary based on current position and grade by the percentage earned from their performance per the matrix.

- No Employee shall receive a salary that is higher than the maximum of the appropriate salary grade.
- 6.8 It is agreed, the Employer and the Union shall establish a mutually acceptable criteria for conducting a salary survey for all bargaining unit positions for use in a subsequent memorandum of understanding.

7. CERTIFICATIONS

- 7.1 Intentionally left blank.
- 7.2 Critical Infrastructure of Essential Workers: Operations of essential critical infrastructure requires all employees and support staff involved in operations, maintenance, and compliance to ensure these institutions remain operational and in compliance with Federal, State and local regulatory requirements.

8. LAYOFFS

- 8.1 If the Employer determines that it will be necessary to lay off Employees within the bargaining unit, then whenever possible, the Employer will inform Employees thirty (30) days prior to layoff. Employees will be laid off in reverse order of seniority by classification within the bargaining unit, except in cases where the Employer can clearly demonstrate that the Employee lacks the skills or ability to perform the duties of his position. Employees who have been laid off will be rehired in the reverse order of layoff (i.e., last laid off, first rehired).
- 8.2 Employees in higher classifications within the bargaining unit will be given the opportunity to demote to lower classifications within the bargaining unit for which

- they are qualified, recognizing the fact that this could result in the layoff of Employees in lower classes because of less seniority.
- 8.3 An Employee who has been laid off has the right to re-employment for a period of one hundred and eighty (180) days, provided he has the necessary qualifications for the position to be filled.
- 8.4 Nationwide State or Local Emergency Leave: Should the Federal, State, or Local government declare an emergency requiring the shutdown of nonessential service or the complete shutdown of government for any declared emergency, Employees sent home without pay and without the ability to work from home shall have credited to their leave banks the total accrual for one year added to sick leave and annual leave. These leave banks shall be used to continue normal pay and benefits until exhausted. Leave banks will begin normal accrual on anniversary of banked leaves.

9. LEAVES

- 9.1 Vacation leave shall accrue from each Employee's original anniversary date, at the following rates:
 - 9.1.a. For each Employee having less than four full years of continuous service to Employer, the employee will accrue six and two-thirds hours per calendar month of employment. The employee will accrue a maximum of 80 hours annually totaling (2 weeks).
 - 9.1.b. For each Employee having at least four full years, but less than nine full years of continuous service to Employer, the employee will accrue ten hours per calendar month of employment. The employee will accrue a maximum of 120 hours annually totaling (3 weeks).
 - 9.1.c. For each Employee having at least nine full years, but less than fourteen full years of continuous service to Employer, the employee will accrue thirteen and one third hours per calendar month of employment. The employee will accrue a maximum of 160 hours annually totaling (4 weeks). New Employees hired on or after July 1, 2012 will earn up to a maximum of 4 weeks' vacation.
 - 9.1.d. For each Employee having fourteen or more full years of continuous service to Employer, the employee will accrue sixteen and two-thirds hours per calendar month of employment. The employee will accrue a maximum of 200 hours annually totaling (5 weeks).
 - Effective July 1, 2013 employees may carry up to 240 hours of accrued leave into the next calendar year.
- 9.2 The Employer will entertain requests by eligible Employees as to the time at which their vacations will be scheduled, but vacation schedules must necessarily conform to and not unduly interfere with, the operation schedules of the Employer.

Preference will be in order of seniority provided the remaining Employees are qualified to do the work. Granted leave shall only be revoked under extreme circumstance and not within 1 month of its commencement.

9.3 Employees must complete six months of employment to be eligible to take vacation. After six months of service, the Employer will compensate Employees for accrued vacation, which is unused upon termination, at current wage rate.

9.4 Jury Duty:

The District will grant court leave to allow benefited employees to serve as juror or a witness in a court proceeding provided that the employee is not a party to the action. Employees need to provide their supervisors with relevant documents verifying the need for court leave as soon as the need becomes known.

9.4.a. Jury Duty Compensation: Subject to the following conditions, eligible employees will receive their regular base rate of pay for those hours spent in court, traveling to and from court when such time occurs during employee's regular scheduled work days and hours of work.

Court leave will not result in payment of overtime or be considered as hours worked for purposes of determining eligibility for overtime, unless the court leave is related to the employee's job responsibilities.

Upon completion of jury/court/witness service for which the employee received his/her regular pay, the employee will forward any compensation received from the court or other party to the District upon receipt. Employee may keep reimbursements received for out of pocket expenses such as meals, mileage, and lodging.

An employee will not receive pay for the work time missed if he/she is required to miss work because of court appearances in a matter to which the employee is a party or to serve as a witness for a party who has filed an action against the District or the employee is subpoenaed to appear on a matter unrelated to employment. However, the employee may choose to use his/her vacation.

Sick leave will accumulate at the rate of eight (8) hours per month, with unlimited accrual. A doctor's certificate may be required by the Employer. Employees will be paid for time off for illness up to the limits of time accumulated. Abuses of sick leave may be subject to disciplinary action. Each Employee having unused sick leave on December 1 of each year shall have the opportunity to sell back to the District one-half (1/2) of their unused sick leave balance, up to a maximum of forty-eight hours and shall be compensated at Employee's regular hourly rate for such time. That time so paid shall be deducted from Employee's accumulated sick leave time

available. Unused sick leave compensation shall be limited to that time which has accrued in the preceding twelve (12) months. Elimination of the December annual 48-hour sick leave buy back for employees hired after July 1, 2011.

Employees who elect to retire after 20 years of service with the District may receive up to 20% of their accrued sick leave hours; adding 2% additional each year to 25 years (30% at 25 years) and 4% additional each year thereafter to a maximum sick leave buyout of 50% of up to 960 hours after 30 years of service.

As an alternative, employees retiring after 20 years or more of service may elect to convert their eligible sick leave hours with the same limitations identified above to a non-interest bearing District account for the purpose of paying medical insurance coverage and/or out-of-pocket medical expenses such as deductibles and co-payments at double the rate to a maximum of 100% of up to 960 hours after 30 years of service.

The non-interest bearing District account will be assigned a present value as of the date of retirement equal to the number of hours of sick leave times the employee ¹s base hourly salary at the time of retirement. The District will debit said account on a dollar-for-dollar basis. This benefit is non-transferable and does not survive the retiree.

Employees participating in this plan will receive a nonemployee IRS Form 1099-MISC annually.

In the event of a death of a member of the Employee's immediate family, the Employee shall be granted a leave of absence, with pay, for a period of up to forty (40) working hours to make final arrangements. For the purposes of this Section, the immediate family shall be defined as within the 3rd degree of consanguinity or affinity. See Exhibit E for consanguinity and affinity chart Evidence of death may be required by the Employer.

Employees shall receive 40 hours of Personal Time off (PTO) per calendar year. Unused PTO may not be carried over and no employee may accrue more than 40 hours of PTO.

10. UNION RIGHTS

10.1 A duly authorized representative of Union may be permitted to talk on the job with Employees subject to this Agreement, for the purpose of ascertaining whether or not this Agreement is being observed by all parties, or in adjusting grievances, and for no other reasons. Union agrees that this privilege shall be so exercised as to not interfere with the work in the departments.

- 10.2 The Union shall notify the Employer of the selection of the job steward.
- 10.3 The job steward shall not stop the Employer's work for any reason, or tell any Employee covered by this Agreement that Employee cannot work on the job.
- 10.4 It is hereby mutually understood and agreed that no person is authorized to act as or is to be deemed to be an authorized agent of either party to this Agreement unless the party appointing such authorized agent has first notified the other in writing of such appointment and the scope of the authority of such an agent.
- 10.5 It is hereby agreed and understood that the following persons and no other shall be the authorized agents of the respective parties until further notice as provided in Section 9.4 hereof:

Duly authorized agent of the Union shall be: Business Manager or Business Representative designated by the Business Manager.

Duly authorized agent of the Employer shall be the General Manager, or any other person authorized by Employer to act as his agent whose identity and scope of authority has been made known to the Local Union by written communication from said Employer.

11. DISCIPLINE AND DISCHARGE

- 11.1 The purpose of this article is to provide for an equitable and expeditious manner for the resolution of disputes arising from the imposition of discipline. The Employer and the Union acknowledge all steps of the progressive disciplinary process. It is further acknowledged that feedback received during an annual performance evaluation may supplement the disciplinary process. All actions beyond Step 1 in the referenced process shall be documented by the Employer and shall become part of the permanent personnel record.
- 11.2 Any Employee involved in a discussion with Employee's immediate superior or management, who has reason to believe that discipline may result from said discussion, shall have the right to request Employee's Steward or Union Representative be present during the discussion. If the Employee wishes to have Union representation during such discussions, it shall be Employee's responsibility to make such wishes known and the Employer shall make arrangements for the desired representation. The Employer agrees that no Employee will be disciplined or discharged without cause.
- 11.3 Verbal and written reprimands shall only be subject to review through Step 4 of the Grievance Procedure and shall not be subject to arbitration or litigation. Provided, however, that a written reprimand that is repeated and which is accompanied by a statement that more severe disciplinary action could follow is subject to arbitration. For any action which is not arbitrable, the affected Employee may prepare a written

statement responding to the reprimand and such statement shall be included in the Employee's official personnel file(s), if it is submitted within five (5) calendar days of the final disposition by the General Manager of his/her designee. Such written responses shall remain in the official personnel file(s) for as long as the reprimand remains in file.

- 11.4 Any Employee being suspended, involuntarily demoted or discharged shall not be removed from the payroll or otherwise adversely affected until after the completion of a pre-disciplinary hearing before the department head or acting department head. The purpose of a pre-disciplinary hearing is for the Employee to respond to the specific charges and present evidence on his/her behalf. The Employee must be timely notified in writing of the dismissal, involuntary demotion or suspension and the reasons therefore. The notice must precede the hearing by at least forty-eight (48) hours, and may be delivered personally to the Employee or mailed to Employee at the Employee's last known address, by registered or certified mail, return receipt requested. If the notice is mailed, the effective date of the notice shall be the date of delivery, or if the letter is returned to the sender, three (3) calendar days after mailing. The Employee shall have the right to be represented at this hearing by a Union Representative. After hearing the evidence presented at the hearing, the department head shall render a written decision within five (5) working days.
- 11.5 If the department head determines that IVGID is in jeopardy if an Employee is not relieved of duties pending a pre-disciplinary hearing under Section 10.4 hereof, the department head may order, as part of the pre-discipline notice, that the Employee shall take an immediate involuntary leave of absence without pay, which leave shall expire on the date of the department head's written decision under Section 10.4 hereof. Such leave shall be without prejudice to the Employee. If the department head determines, based upon the evidence presented at the hearing, that the appropriate disciplinary action involves a demotion or a suspension of a shorter period of time than the leave of absence, then the Employer shall provide back pay to the Employee for the difference at the end of the same pay period. If the department head determines, based upon the evidence presented at the hearing, that the appropriate disciplinary action involves a suspension of a greater period of time than the leave of absence, or a discharge, then no back pay shall be due and, in the event of a suspension, the beginning date of the suspension shall be the same as the beginning date of the leave of absence.
- 11.6 Upon receiving the department head's written decision, an Employee who has been suspended, involuntarily demoted or discharged, shall have the right to appeal such decision through the Grievance and Arbitration Procedure of this Agreement, beginning at Step 4.

12. GRIEVANCES

- 12.1 Except where a remedy is otherwise provided for, any Employee shall have the right to present a grievance arising from Employee's employment in accordance with the rules and regulations of this procedure.
- 12.2 All parties so involved must act in good faith and strive for objectivity, while endeavoring to reach a solution at the earliest possible step of the procedure. The aggrieved Employee shall have the assurance that filing of a grievance will not result in reprisal of any nature. The aggrieved Employee shall have the right to be represented or accompanied by a Representative of the Union at all stages of the grievance procedure.
- 12.3 Certain time limits in the grievance procedure are designed to quickly settle a grievance. It is realized, however, that on occasion the parties concerned may be unable to comply with the established limitations. In such instances, the limitations may be extended upon the mutual agreement of all parties concerned.
- Failure of the aggrieved Employee to file an appeal within the prescribed time limit for any step of the procedure shall constitute abandonment of the grievance. Employer shall abide by prescribed time limits.
- 12.5 Any person responsible for conducting any conference, meeting or hearing under the formal grievance procedure shall give due and timely notice to all persons concerned.
- When two or more Employees experience a common grievance, they may initiate a single grievance proceeding. The initial hearing of the grievance shall be by the immediate superior or Department Head who has the prime responsibility for all of the aggrieved Employees.
- 12.7 The grievance procedure shall be as follows:
 - Step 1. When an Employee becomes aware that dissatisfaction exists with Employee's work or work situation, Employee should discuss the matter informally with their immediate superior. Initial discussion should be sought by the Employee not later than ten (10) working days after the event giving rise to the grievance occurred, or ten (10) working days after the Employee should have had knowledge of the event, whichever is later. The following provisions relating to formal grievance procedure do not restrict the Employee and immediate superior from seeking advice and counsel from Superiors and Department Heads when:

 Mutually consented to by the Employee and Immediate Superior.
 - Step 2. The Immediate Superior will hear the grievance and provide written decision within five (5) working days of the receipt of the formal grievance papers.

It appears that settlement can be reached at this informal level.

- Step 3. If the written decision of the Immediate Superior is unsatisfactory to the Employee, the Employee may request that the grievance be presented to the Department Head for review. This request must be made in writing within five (5) working days of the receipt of the Immediate Superior's decision. The Department Head will hear the grievance and provide written decision within ten (10) working days of the receipt of the formal grievance papers.
- Step 4. If the written decision of the Department Head is unsatisfactory to the Employee, the Employee may request that the grievance be presented to the General Manager for review. This request must be made in writing within five (5) working days of the receipt of the Department Head's decision. The General Manager will hear the grievance and provide written decision within ten (10) working days of the receipt of the formal grievance papers.
- Step 5. If the written decision of the General Manager is unsatisfactory to the Employee, the Union or Employee within ten (10) working days may request the grievance be advanced to arbitration. The arbitrator list will be requested within one-hundred twenty (120) days and the arbitrator from a list of seven (7) names supplied by the Federal Mediation and Conciliatory Service (FMCS), or another arbitration service mutually agreeable to the Employer and Union. The parties shall select the arbitrator by alternately striking names until one name remains. The Union representative shall strike the first name. The decision of the arbitrator shall be final and binding upon both parties.
- 12.8 The arbitrator shall have no authority to alter, amend, add to or subtract in any way the terms and conditions of this Agreement. The arbitrator shall confine their decision to a determination of the facts and an interpretation and application of this Agreement. The parties agree to each pay one-half the costs of the arbitrator.

13. CESSATION OF WORK

13.1 Under no circumstances shall any dispute or disagreement be permitted to cause a cessation of work. Employer hereby declares opposition to lockouts and Union hereby declares opposition to strikes, sympathetic or otherwise, and to stoppage or slowdown of work.

14. HEALTH AND WELFARE

14.1 Employer will provide and pay 100% of the insurance premium costs of medical, hospital, dental, prescription, and vision coverage, for employees and dependents for employees hired prior to or on June 30, 2012. Employees hired on or after July 1, 2012 will pay twenty-five percent (25%) of the cost of dependent coverage. The Employer will provide and pay 100% of the insurance premium costs for life, accidental death and dismemberment, short term and disability insurances for the employee for the life of the contract.

14.2 The Employer shall provide a long-term disability plan at no cost to the Employees. The current plan will provide a benefit equal to 66 2/3% of monthly salary (not to exceed \$7,500.00 a month) commencing on the ninety-first (91) day of a qualifying disability.

15. PENSION

- 15.1 Pension benefits, as set forth herein, shall be paid after six (6) months of employment for Employees in the bargaining unit who choose to participate in the Operating Engineers Pension Trust Fund.
- 15.2 The Employer shall pay into the Operating Engineers Pension Trust Fund an amount equal to thirteen and three tenths (13.3) percent of the Employee's gross W2 earnings. This amount includes the contribution to the Union's Retiree's Health Care Trust.
- 15.3 All Employees who are enrolled in the union pension system shall continue to be eligible for enrollment in the system, as long as they are full-time Employees of Employer, whether or not they are members of the bargaining unit.
- 15.4 The Employer shall make the payments provided in Section 15.2 at the times and in the manner provided in the Trust Agreement creating the Pension Trust Fund for Operating Engineers, and is bound by all the terms and conditions thereof and any amendment or amendments thereto. Eligibility of Employees shall be determined by the Trustees of said Trust.
- 15.5 The Employer shall deduct for union dues and make available an automatic payroll deduction for credit union deposits.
- As an alternative to the Operating Engineers Pension Trust Fund, Employees may elect to enroll in another pension plan available through Employer with a contribution rate of 13.3%.
- 15.7 The District will "match" 100% of an employee's contribution into a deferred compensation plan up to 5% of the employee's annual wages. Effective plan date October 1, 2015.
 - Effective July 1, 2021, the contribution rate would increase by 1% totaling 6%.

16. MANAGEMENT RIGHTS

16.1 Incline Village General Improvement District retains the exclusive right, except as expressly stated herein, to operate and direct the affairs of the District in all its various aspects, including but not limited to, the right to direct the work force; to determine the size of the work force and the number of employees, classifications,

qualifications, fitness and positions; to plan, direct and control all the operations and services of the District; to determine the methods, means, and organization by which such operations and services are to be conducted; to assign and transfer employees within its operations; to combine, divide, or reorganize its operations; to assign and schedule work; to establish and enforce reasonable work rules; to hire, promote, demote, suspend, discipline, as a possible alternative to layoffs the right to discuss furlough of employees, discharge or relieve employee's due to lack of work or other legitimate reasons; and to change or eliminate existing methods, equipment operation or department/ facilities.

- 16.2 Union agrees that Employer shall have complete freedom in questions involving termination of employment, transfer, advancement, and layoffs due to lack of work, except that no Employee shall be discharged for Union activities. Union recognizes and agrees that reprimands, suspensions and discharges of Employees for inefficiency, carelessness or insubordination are necessary and proper to the successful operation of Employer's business.
- Nothing in this Agreement shall be construed as abrogating any rights that either party hereto has under the statutes of the State of Nevada.

17. TERMS OF AGREEMENT

- 17.1 This Agreement shall become effective on the 1st day of July 2020, and remain in effect through the 30th day of June 2023. This Agreement shall continue in effect from year to year thereafter, unless either of the parties hereto gives notice to the other in writing, pursuant to NRS Chapter 288, in each year during which this Agreement may be automatically renewed, either of a desire to terminate or to modify this Agreement. In the event of such a notice, the parties hereto agree:
 - 17.1.1. to meet and confer with the other through their authorized agents for the purpose of negotiating a new Agreement or an Agreement containing the proposed modifications;
 - 17.1.2 to notify such State and Federal agencies and boards within the time required by any applicable laws, of the existence of such dispute, provided that no agreement has been reached by that time; and
 - 17.1.3 to continue in full force and effect without resorting to strikes or lockouts, all the terms and conditions of the existing Agreement for a period of sixty (60) days after such notice is given to such State or Federal board or agency or until the expiration of the existing Agreement, whichever occurs later.
- 17.2 Reopener Language This agreement shall be automatically reopened for all negotiation items beginning with FY 2023 (July 1, 2020 June 30, 2023) reported on or about December 1, 2021 in annual audit in the event the revenues to the District's General Fund useable in the year received decline from the total revenues received by the District's General Fund for the previous fiscal year, (audited), by 30% or if the unreserved ending fund balance in the District's General Fund has

been budgeted for less than 4% of the actual expenditures from the General fund for the previous fiscal year pursuant to NAC 354.650(1), and the District has fully complied with the provisions of NAC 354.650(1). The parties' agreement to the above procedures constitute compliance with NRS 288,150(2)(w).

- 17.3 Health Care compliance: In an effort to remain compliant with the requirements of the Affordable Care Act (ACA), the parties agree upon written notification from either party, to reopen the agreement based on any of the following:
 - 17.3.1 A change in regulation which in turn causes a reduction to the District's General Fund to fall below 4% pursuant to NAC 354.650(1).
 - 17.3.2. A change in premiums exceeding an increase or decrease greater than 25%.
 - 17.3.3. A change in policy that, upon review of both parties, may cause significant changes to the plan in regards to coverage, deductibles etc.

18. AGREEMENT BINDING UPON PARTIES

This Agreement shall be binding upon the heirs, executors, administrators, successors, and lessees of the parties hereto. In the event of the reorganization, transfer or change in the method of administering the service provided, the District shall provide the Agreement shall continue in full force and effect with the Union recognized as the proper bargaining representative of the Employees at the facility.

IN WITNESS WHEREOF, the parties he respective officers duly authorized to do so	reto have hereunto set their hands and seals by their			
respective officers dury authorized to do so	uay 01 2021.			
EMPLOYER: INCLINE VILLAGE GENERAL	UNION: OPERATOR ENGINEERS UNION			
IMPROVEMENT DISTRICT	LOCAL NO. 3 of the International Union of Operating Engineers, AFL-CIO			
Tim Callicrate, Chairman				
Sara Schmitz, Secretary				
Reviewed and Approved:				
Indra Winquest, General Manager	•			
Ioshua Nelson, Legal Counsel				

$\underline{\text{EXHIBIT A}}$ INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

Union Salary Ranges Effective July 1, 2020 PAY Scale

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT Union Salary Ranges Effective July 1, 2020

Uncertified Scale

Fop of Ranges Increased 1.5% from previous year.

Min to Max 40%

	HOURLY			BI-WEEKLY			ANNUAL		
GRADE	Minimum	Mid	Max	Minimum	Mid	Max	Minimum	Mid	Max
G3	\$19.91	\$23.89	\$27.87	\$1,593	\$1,911	\$2,230	\$41,410	\$49,692	\$57,974
G4	\$20.92	\$25.11	\$29.29	\$1,674	\$2,009	\$2,343	\$43,521	\$52,225	\$60,929
G5	\$21.97	\$26.36	\$30.75	\$1,757	\$2,109	\$2,460	\$45,692	\$54,831	\$63,969
G6	\$22.72	\$27.27	\$31.81	\$1,818	\$2,181	\$2,545	\$47,261	\$56,713	\$66,165
G7	\$25.22	\$30.27	\$35.31	\$2,018	\$2,421	\$2,825	\$52,463	\$62,956	\$73,449
G8	\$27.64	\$33.17	\$38.70	\$2,212	\$2,654	\$3,096	\$57,500	\$69,000	\$80,500
G9	\$30.16	\$36.19	\$42.22	\$2,413	\$2,895	\$3,378	\$62,733	\$75,279	\$87,826
G10	\$32.62	\$39.14	\$45.66	\$2,609	\$3,131	\$3,653	\$67,845	\$81,414	\$94,983
G11	\$35.08	\$42.10	\$49.12	\$2,807	\$3,368	\$3,929	\$72,972	\$87,567	\$102,161
G12	\$37.57	\$45.08	\$52 <i>.</i> 60	\$3,006	\$3,607	\$4,208	\$78,145	\$93,773	\$109,402

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

Standard Salary Ranges Effective July 1, 2020 Top of Ranges Increased 1.5% from previous year.

Min to Max 40%

	HOURLY			BI-WEEKLY			ANNUAL		
GRADE	Minimum	Mid	Max	Minimum	Mid	Max	Minimum	Mid	Max
16	\$18.65	\$22.39	\$26.12	\$1,492	\$1,791	\$2,089	\$38,801	\$46,561	\$54,321
18	\$20.57	\$24.68	\$28.80	\$1,645	\$1,975	\$2,304	\$42,782	\$51,338	\$59,895
20	\$22.67	\$27.20	\$31.74	\$1,814	\$2,176	\$2,539	\$47,155	\$56,586	\$66,017
22	\$25.00	\$30.00	\$35.00	\$2,000	\$2,400	\$2,800	\$51,996	\$62,395	\$72,794
25	\$28.93	\$34.72	\$40.51	\$2.315	\$2,778	\$3,241	\$60,184	\$72,221	\$84,258
26	\$30.38	\$36.46	\$42.54	\$2,431	\$2,917	\$3,403	\$63,200	\$75,840	\$88,480
27	\$31.90	\$38.28	\$44.66	\$2,552	\$3,062	\$3.573	\$66.352	\$79,622	\$92,893
31	\$38.78	\$46.54	\$54.29	\$3.102	\$3,723	\$4,343	\$80,663	\$96,796	\$112,928
32	\$40.72	\$48.86	\$57.00	\$3,257	\$3,909	\$4,560	\$84,689	\$101,627	\$118,565

EXHIBIT B

Exhibit B

Incline Village General Improvement District Effective July 1, 2018 Union Salary Grid and Supervisory Responsibility **Supervisory Bargaining Unit** Highest Supervisor Job Classification Position Pay Grade Supervised 32 Fleet Superintendent **Utilities Maintenance** G-10 Specialist 31 Chief Chemist G-9 31 Collection/Distribution Water/Wastewater G-11 Supervisor Supervisor 30 Compliance Supervisor/ G-10 **Chief Inspector** 29 28 27 26 25

EXHIBIT C

Pay - For - Performance Matrix Fiscal Year 2020 to 2023

If an employee is on a P I P they will not receive an increase for the year.

COLA floor will be no less than 1% and no cap on the ceiling.

Merit	Performance	Performance	Total Pay for
Adjustment	Evaluation	Increase	Performance
	Rating		Increase
717	On		
	Anniversary		
	Date of hire		
Merit	NEEDS	0 %	
increase	IMPROVEMENT		PERFORMANCE
			REVIEW
Merit	MEETS	2%	PERFORMANCE
increase	REQUIREMENTS		REVIEW
Merit	EXCEEDS	4 %	PERFORMANCE
increase	REQUIREMENTS		REVIEW

Once an employee reaches the maximum annual salary based on current position and grade, the performance increases would be awarded as a lump sum check, calculated by multiplying the employee's maximum annual salary based on current position and grade by the percentage earned from their performance per the matrix.

(Does not include Working Out of Class increases of pay as those are temporary increases for special circumstances. If those Working out of Classes become permanent to the base annual salary they will be paid out)

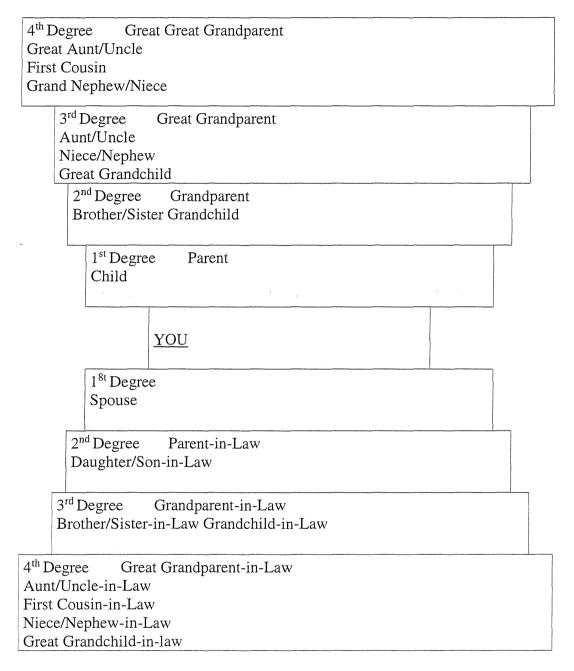
EXHIBIT D GRIEVANCE FORM

Grievant Name	<u>Date</u>				
<u>Department</u>	Work Telephone Number				
Classification	Date of Incident Giving Rise				
Article(s) & Section(s) of Contract Violated					
Explanation of Grievance (Attach additional sheets if ne	eeded)				
Remedy Sought (Attach additional sheets if neede	<u>d)</u>				
Employee Signature Date	· · ·				
Steward Signature Date If available					
Business Representative/Designee Signature Date					
TO BE COMPLETED BY THE APPROPRIATE MAN Date Received Date of Meeting Date of Grievance					
Step 1 Date Received Date of Meeting Date of Gri (Attach copy of written response)	evance Response				
Step 2 Date Received Date of Meeting Date of Grievance Response (Attach copy of written response)					
Step 3 Date Received Date of Meeting Date of Gri (Attach copy of written response)	evance Response				
Step 4 Date Received Date of Meeting Date of Gri (Attach copy of written response)	Grievance Response				

GRIEVANCE FORM

To Be Completed by The Grievant (Please Print or Type)

<u>EXHIBIT E</u> CONSANGUINITY/AFFINITY CHART



Note: Step relationships (step-brother, step-father, etc.) are considered to be the same as blood relationships. Domestic Partners are considered the same as spouse.