

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is made and entered into by and between the CITY OF INDIAN WELLS (the "City") and the INDIAN WELLS CITY EMPLOYEES ASSOCIATION (the "Association"), herein referred to as "The Parties."

WHEREAS, the City and the Association have met and conferred in good faith with respect to the wages, hours, and terms and conditions of employment of City employees and all other subjects within the scope of bargaining under the Meyers-Milias-Brown Act (Government Code Section 3500, et seq.), and have reached an agreement that they wish to set forth in writing in the form of this MOU;

NOW, THEREFORE, the City and the Association agree as follows:

SECTION 1: TERM.

This MOU shall take effect on July 1, 2015 and shall remain in effect through and including June 30, 2017.

SECTION 2: RECOGNITION OF INDIAN WELLS CITY EMPLOYEES ASSOCIATION.

The City formally recognizes the Indian Wells City Employees Association as the exclusive representative of employees in the bargaining unit. The City and the Association agree that the bargaining unit shall consist only of employees in the following positions:

Accounting Technician I	Building/Safety Technician
Accounting Technician II	Code Enforcement Officer/Fire Marshall
Accounting Technician III	Landscape Specialist
Administrative Assistant	Maintenance Worker I
Assistant Engineer I,	Maintenance Worker II
Assistant Engineer II	Senior Electrical Maintenance Technician
Building Inspector I	Public Works Superintendent
Building Inspector II	

The bargaining unit shall exclude all other positions, management and confidential employees, department heads, and the City Manager.

SECTION 3: SALARY.

The Authorized Positions & Salary Schedule (the "Schedule"), which is attached hereto as Exhibit "A" and by this reference made a part hereof, shall remain in effect during the term (July 1, 2015 through June 30, 2017) of this MOU. The Parties agree to the following earned wage increases retroactive to July 1, 2015, based upon the individual

employee's Merit Based Pay ("MBP") score for the fiscal year ending June 30, 2015, and fiscal year ending June 30, 2016:

<u>MBP Score</u>	<u>% Increase</u>
5.0	6.5
4.75	5.25
4.5	4.5
4.25	4.0
4.0	3.5
3.75	3.0
3.5	2.5
3.25	2.1
3.0	1.8
2.75	0
2.5	0
2.25	0
2.0	0
1.75	0
1.5	0
1.25	0
1.0	0

MBP pay percentage increases will be determined by rounding MBP scores to the nearest quarter score, utilizing eighth score increments as the rounding point. For example, a MBP score of 3.125 to 3.249 will be rounded up to a MBP score of 3.25 with the applicable pay percentage increase of 2.1%. A MBP score of 3.01 to 3.124 will be rounded down to a MBP score of 3.00 with the applicable pay percentage increase of 1.8%.

A. Overtime: Overtime is defined as hours worked by any employee subject to the provisions of the Fair Labor Standards Act ("FLSA") (non-exempt employee). All overtime must have prior approval of the appropriate supervisor and/or department head and be recorded on the employee's bi-weekly time report. Unauthorized overtime is cause for discipline. Non-exempt employees shall be compensated for overtime in accordance with the Federal Fair Labor Standards Act provisions.

Any hours worked which are eligible for overtime compensation as defined herein may be taken as compensatory time off in accordance with these or any department rules. The earning of such "comp time" must receive prior approval of the department head or his/her designee. Compensatory time off is earned at the rate of one and one-half (1-1/2) times the number of hours worked and may be accrued to a maximum of eighty (80) hours. Any "comp time" accrued at date of separation shall be paid at straight time the hourly rate of pay then in effect.

Certain positions of employment may be designated as "exempt" from such provisions of the FLSA. Any such designations shall conform to the guidelines and criteria set forth in the FLSA pertaining to such designation. Persons employed in those positions shall not be eligible for overtime pay but shall instead be entitled to paid administrative leave as set forth in the Personnel Rules and Regulations and Personnel Policies.

B. PERS Retirement Cost Swap

Employees will receive an additional increase in pay of 2% in exchange for the employee picking up 2% of their PERS retirement employee (member) contribution, for each of the two-years of the term of this MOU (totaling 4% swap over two years).

2% PERS swap in Year 1 – Fiscal Year July 1, 2015 through June 30, 2016

2% PERS swap in Year 2 – Fiscal Year July 1, 2016 through June 30, 2017

Any employee whose salary exceeds their assigned, Council approved, salary range as a result of the 2% salary increase in exchange for picking up 2% of the employee (member) contribution to PERS, will receive a cash equivalent payout for any amount above top of salary range. This cash equivalent payout shall not be "PERSable" (is not included in the eligible salary basis reportable for calculation of retirement benefits). In no case shall an employee's pay increase cause the salary range to increase beyond the range publicly approved by City Council.

C. Additional Salary Range Increase

In addition to the automatic Consumer Price Index (CPI) increase in the salary range each year, as provided in the Council Approved Personnel Manual, employees will receive an additional increase to salary range by 1% at the beginning of Year 2, beginning July 1, 2016 (1% + CPI automatic adjustment to range).

SECTION 4: MEDICAL, DENTAL, VISION, AND LIFE INSURANCE COVERAGE.

A. Group Insurance: The City shall make available single party and dependent's hospitalization, major medical, dental, optical, long term disability, State Disability and life insurance to all permanent full-time employees in the City and to such other city officials as may be designated by the City Council. The specific coverage and/or options available are set forth in the Insurance Plan Summary.

The City shall pay 100% of premiums for Tier A and B employees as defined by the established tier system. Such premiums shall be paid only to the company or companies with whom the City has contracted for such insurance coverage. Employees hired after January 1, 2009 (Tier B employee), the City will pay 100% for employee and dependents for HMO plan only. If employee opts for the PPO plan, employee will be responsible for the difference between the two plans.

B. Deductibles: City will pay \$1,000 per year per full time employee to cover deductibles and prescriptions.

SECTION 5: MANAGEMENT RIGHTS.

Except as limited by the terms of the MOU and State law, the City retains sole and exclusive right to manage its operations and direct its work force using any or all of the powers and authority previously exercised or possessed by the City or traditionally reserved to management, including but not limited to the right to determine its organization and the kinds and levels of services to be provided; to direct the work of its employees; to assign work from one classification of employees to another, including work currently performed by employees in the classifications covered by this MOU; to establish work standards and levels of required performance; to utilize part-time or temporary employees; to pay wages and benefits in excess of those required by this MOU; to select, modify, alter, abandon, or modernize methods of conducting its operations; to build, move, modify, close, or modernize facilities, machinery, processes, and equipment; to establish budgetary procedures and allocations; to determine methods of raising revenues; to sublet and subcontract work; to take all necessary action in the event of an emergency; to establish and amend rules of conduct and to impose discipline and discharge; to establish and amend rules for safety and health; to select, hire, classify, reclassify, assign, evaluate, transfer, promote, demote, upgrade, downgrade, reprimand, discipline, suspend, discharge, lay off, and rehire employees; to determine job content and to create, combine or modify job classifications and rates or classes of pay; and to exercise all other customary powers and authority of management, regardless of whether the City has exercised such power previously. Nothing in this provision shall be construed to restrict grievances concerning any part of this MOU. In the event of an emergency, the City may amend, modify or rescind any provision of the MOU. Such amendment, modification or rescission shall remain in force only for the period of the emergency. The

City shall have the sole and complete discretion to declare that an emergency exists for the purposes of the Section.

SECTION 6: HOURS, ATTENDANCE & EMERGENCY STANDBY PAY.

A: Hours: The regular work schedule is 8:00 A.M. to 5:00 P.M. Department heads may designate special working schedules for the employees of their departments to carry out the work required. The department heads may alter the schedule, from time to time, as the needs of the department may require with a two weeks' notice. All non-exempt employees shall adhere to the work schedule. Employees that work hours other than their regular work schedule must have approval from their department head.

B: Attendance: Employees shall be in attendance at their work in accordance with the rules regarding hours of work, holidays, and leaves of absence. Each full-time employee is to receive a regularly scheduled meal period of not less than thirty (30) minutes nor more than sixty (60) minutes prior to the completion of a working period of six (6) consecutive hours within his/her eight (8) hour regularly scheduled work day. Meal time is not compensated. Special provisions may be made in temporary situations with prior approval of the City Manager or under emergency contingencies. Each regular employee working eight (8) hours a day is permitted mid-morning and mid-afternoon rest periods of fifteen (15) minutes each. The rest periods may not be combined for a single thirty (30) minute rest period, unless authorized by the supervisor when extreme conditions do not allow for the taking of a rest period within the designated time frame.

The exact time of and duration of meal and rest period is within the discretion of the supervisor. Lunches and rest periods may not be used to make up time off from work. In no case will an employee receive credit for rest periods not taken. An employee shall not be absent from work for any reason without making prior arrangements with his/her supervisor at least at start of shift if sick or injured. Unless such prior arrangements are made, an employee who, for any reason, fails to report to work shall make a sincere effort to immediately notify his/her supervisor of his/her absence and reason for being absent. If an employee's absence from work continues beyond the first day, the employee shall notify the supervisor on a daily basis unless other arrangements have been made with the supervisor. Any unauthorized absence of an employee from duty shall be deemed to be an absence without pay and may be cause for disciplinary action. Absence without leave for more than three (3) consecutive work days is deemed to be a break in service abandonment of the positions and may result in termination of employment.

C: Emergency Standby Pay: The Public Works/Maintenance staff is designated as emergency standby employees. If a Public Works/Maintenance employee is designate as a standby employee for after-hours response, the employee will remain in the Coachella Valley during standby hours and carry a cellular phone. The designated standby employee will receive standby duty pay of \$25.00 per day on weekdays, and \$35.00 per

day on weekends. If called on call-back, the employee will receive a minimum of two hours overtime pay or the actual time worked at overtime pay, whichever is greater.

SECTION 7: HOLIDAYS

All officers and employees of the City shall be entitled to the following holidays:

- | | | |
|-----|--|---|
| 1. | JANUARY 1ST | NEW YEAR'S DAY |
| 2. | THIRD MONDAY IN JANUARY | MARTIN LUTHER KING DAY |
| 3. | THIRD MONDAY IN FEBRUARY | PRESIDENT'S DAY |
| 4. | LAST MONDAY IN MAY | MEMORIAL DAY |
| 5. | JULY 4 TH | INDEPENDENCE DAY |
| 6. | FIRST MONDAY IN SEPTEMBER | LABOR DAY |
| 7. | SECOND MONDAY IN OCTOBER | COLUMBUS DAY |
| 8. | AS DESIGNATED | VETERANS DAY |
| 9. | FOURTH THURSDAY IN NOVEMBER | THANKSGIVING DAY |
| 10. | FOURTH FRIDAY IN NOVEMBER | THANKSGIVING DAY AFTER |
| 11. | DECEMBER 25 TH | CHRISTMAS DAY |
| 12. | FLOATING HOLIDAY | |
| 13. | DECEMBER 24 TH & 31 ST | ½ DAY FOR CHRISTMAS AND
NEW YEAR'S EVE |

Actual days may change if modified by State or Federal action.

- A. Holidays on Saturdays and Sundays:** If any holiday falls on a Saturday, it shall be observed on the preceding Friday. If any holiday falls on a Sunday, it shall be observed on the following Monday. In matters of compensation, a holiday is the date of designated observance.
- B. Holiday Pay:** Regular or probationary full-time employees will be paid eight (8) hours pay at their regular rate of pay for each holiday. If an employee is required to work on a designated holiday they shall be compensated at the rate of one and one-half (1-1/2) times the regular hourly rate, plus eight (8) hours pay for said holiday.
- C. Floating Holiday:** For purposes of payroll accounting, the floating holiday will be added to the employees vacation and accrued on a bi-weekly basis to the employee's vacation time.
- D. Christmas:** An additional holiday on the preceding Monday or the following Friday will be observed when Christmas is officially recognized on Tuesday or Thursday, respectively.

SECTION 8: VACATION

A. Accrual Rate: Each permanent full-time employee in the City shall accrue vacation leave with pay on the following basis:

YEARS OF SERVICE	REGULAR DAYS OF VACATION	ADDITIONAL DAYS OF VACATION	TOTAL DAYS OF VACATION
1	10	0	10
2	10	2	12
3	10	3	13
4	10	4	14
5	10	5	15
6	10	6	16
7	10	7	17
8	10	8	18
9	10	9	19
10	10	10	20
11	10	11	21
12	10	12	22
13	10	13	23
14	10	14	24
15	10	15	25

B. Probationary Employees: An employee during his/her initial probation period accrues vacation; however, the employee must successfully complete the Probationary Period to be eligible to take vacation leave with pay unless approved by the City Manager for unique and special circumstances. The probationary period will be one year, or as stipulated in Section 11F of this MOU.

C. Scheduling of Vacations: The time at which an employee takes vacation leave shall be determined by the department head, primarily with particular regard for the needs of the City and, secondly, insofar as possible, with regard to the wishes of the employee.

D. Leave of Absence: An employee continues to accrue vacation during any authorized and compensated leave. The employee does not accrue vacation during any leave without pay.

E. Holiday During Vacation: If a City holiday occurs while an employee is on vacation, accrued vacation time shall not be deducted for said holiday.

F. Use: Every attempt should be made to schedule and use vacation time accrued each year (half of employee's vacation must be used annually).

G. Maximum Accrual: Vacation leave may be accumulated to a maximum of three (3) times the employee's annual accrual rate. Half of employee's vacation must be used annually.

H. Surplus Accrual: On January 15th of each year, any vacation leave accumulated in excess of the maximum shall be compensated at the employee's regular rate of pay.

I. Vacation Pay Upon Separation: Upon separation, a regular or probationary employee shall receive compensation at his/her current salary rate for all unused vacation accrued up to and including the date of separation. Such compensation shall be considered earnings for the purpose of calculating other severance benefits or payments.

SECTION 9: SICK LEAVE.

A. Sick Leave: The City provides a sick leave program for the purpose of minimizing the economic hardships that may result from an unexpected personal or dependent illness or injury. Sick leave should not be viewed as a right but rather it is a privilege of paid time away from work duties where such absence is necessary.

1. **Accrual:** All permanent full-time employees in the City shall accrue one (1) day, eight (8) hours, of sick leave for each calendar month of continuous service to a maximum of sixty (60) days accrual.
2. **Use:** An employee eligible for sick leave may utilize such accrued leave for the following reasons:
 - a. A bona fide illness or disability of the employee;
 - b. A bona fide illness or disability of a member of the employee's immediate family which requires his/her attention;
 - c. Being subject to quarantine or being exposed to a contagious disease which would endanger the health of other employees.
 - d. To attend an appointment for a medical, psychiatric, dental or optical examination or treatment.
3. **Exclusions:** No employee is entitled to sick leave while absent from duty on account of any of the following causes:
 - a. Sickness or injury sustained while on leave of absence without pay;
 - b. Sickness or injury purposely self-inflicted.
 - c. Sickness or injury resulting from outside employment, whether or not the City has received notice and/or approved said outside employment.

4. **Abuse Not Permitted:** The use of sick leave in a manner inconsistent with the above use parameters is not permitted. Misuse of sick leave shall be cause for disciplinary action.
5. **Proof Required:** After 3 consecutive days absent, evidence may be required in the form of a physician's certificate, or other substantiating evidence, in determining the adequacy of the reasons for any of the employee's absences during which sick leave time is requested. At its discretion, the City shall have the right to require an employee to undergo, at City expense, a medical examination and tests related to an employee's sick leave utilization.
6. **Release:** An employee absent from work due to illness or injury may be required to provide a release from the employee's physician stating the employee is capable of returning to active non-limited work. Requirement of such release shall be at the discretion of the City Manager. At the sole discretion of the City Manager or his designee, an employee may be allowed to return to work for limited duty consistent with the restrictions set forth in a provisional release issued by the employee's and/or other physician.

Any limited duty so granted may be withdrawn by the Personnel Officer at any time. In the event of any such withdrawal of approval of limited duty, the employee shall be returned to sick leave status consistent with and subject to the requirements stated herein. Employee shall inform employer of any known or suspected limitation.

7. **Holiday During Sick Leave:** In the event that a paid holiday occurs when the employee is on sick leave, accrued sick leave shall not be deducted for said holiday.
8. **Exhaustion of Sick Leave:** In the event an employee uses all of the sick leave he/she has accrued, the employee may use any other paid leave accrued for each day, or portion thereof, of approved absence due to illness or injury as defined herein. This option may be exercised by the employee only when all accrued sick leave has been exhausted. The deduction of other accrued leave, so designated by the employee, will continue until the employee either returns to work or uses all such designated leave accrual. In the event all so designated other accrued paid leave becomes exhausted, the employee shall be considered to be on leave of absence without pay and may be terminated at the City's sole discretion.
9. **Donation of Sick Leave:** Employees may donate up to 50% of annual sick leave accrual (48 hours) to other employees who have exhausted all leave due to a major injury or illness. Donations of sick leave will be eligible for employees in good standing (no disciplinary issues). Employees donating sick leave must

maintain at least 80 hours of sick leave balance after donation occurs. All catastrophic illness/injury donations must be approved by the City Manager.

10. **Incentive for Good Attendance:** All employees accruing sick leave beyond the sixty (60) day maximum shall receive compensation for twenty-five (25%) percent of unused sick leave (beyond sixty [60] days) at the employee's then rate of pay. This accrual and payment will coincide with the employee's anniversary date.

B. Extended Medical Leave.

Subject to the Family Medical Leave Act, a leave of absence without pay (as defined in the Personnel Rules) for reasons of extended illness or injury:

1. **Duration:** The length of extended medical leave shall not exceed six (6) months unless extended by the City Manager due to a finding of lengthy prognosis in accordance with the provisions for same set forth below.
2. **Expiration:** The provisions pertaining to the expiration of Extended Medical Leave shall be the same as those provisions set forth herein for the expiration of an approved Leave of Absence Without Pay (see Personnel Rules). Upon the expiration of Extended Medical Leave the status of the employee shall be revised to one of the following:
 - a. Active Duty (provided the City is in receipt of a proper medical release approving the return of the employee to active non-limited work);
 - b. Sick Leave (subject to the provisions for same set forth herein);
 - c. Resignation (at the discretion of the employee); or
 - d. Disability Retirement (in accordance with the provisions for same set forth in the Personnel Rules).
3. **Lengthy Prognosis:** The length of time granted for Extended Medical Leave may be extended for a specific period of time beyond the maximum six (6) month period when and if the City Manager finds that, on the basis of medical examinations performed at the direction and expense of the City, a favorable prognosis exists and that there is a reasonable assurance that the employee will be able to return to work within a reasonable period of time and the work can be adequately performed by substitute or temporary employees, or postponed without detriment to the City. Any such finding and extension may be rescinded and/or withdrawn by the City Manager at any time. The City Manager may at his sole discretion extend or terminate leave.

C. Bereavement Leave: In the event of a death in the employee's immediate family, an employee may be granted leave of absence with pay, not to exceed three (3) working days. The City will provide an additional two (2) days leave of absence for employees who must travel more than 500 miles to attend services. For the purposes of this MOU, immediate family shall be defined as an employee's spouse, domestic partner, children, stepchildren, parents, stepparents, siblings, siblings-in-law, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparents, grandparents-in-law, or grandchildren.

D. Leave of Absence Without Pay: The City Manager, in his/her unrestricted discretion, may grant a regular or probationary employee leave of absence without pay for a period not to exceed three (3) months. After three (3) months, the leave of absence may be extended if so authorized or the employee terminated. No such leave shall be granted except upon written request of the employee, setting forth the reason for the request. Any such approval by the City Manager shall be in writing. During the period of any such leave of absence without pay, the employee shall not accrue any vacation or sick leave and shall not be entitled to any holiday pay. Upon expiration of any such approved leave of absence without pay or within a reasonable period of time after notice to return to duty, the employee shall be reinstated in the position held at the time leave was granted.

Failure on the part of an employee on leave to report promptly at its expiration, or within a reasonable time after notice to return to duty, shall be considered as a separation and said employee shall be deemed to be discharged. The depositing in the United States mail of first class letter, postage paid, addressed to the employee's last known place of address shall be reasonable notice. Employees will be responsible for continuing their employee contributions to maintain their employee benefits. Failure to do so will lead to the termination of coverage.

SECTION 10: CalPERS RETIREMENT.

The current benefit retirement formula for all miscellaneous employees hired before January 1, 2013 (Legacy Employees) is 2.7% @ 55. The retirement formula for new CalPERS employees hired after January 1, 2013 is 2% @ 62 and those employees will be subject to the AB 340 rules. The City's contract also includes:

- Social Security Coverage
- 12 Months Final Average Compensation Period
- Sick Leave Credit
- Non-Industrial Disability
- Pre-Retirement Death Benefit - Optional Settlement 2W
- Post-Retirement Death Benefit - Lump Sum \$500 and Survivor Allowance (PRSA))
- 2% per year COLA.

SECTION 11: OTHER EMPLOYEE BENEFITS.

A. Uniforms: Field personnel shall be furnished uniforms and safety equipment in accordance with policies established by their department head and approved by the City Manager. Employees working outside or in hazardous conditions will be allowed to purchase one pair of safety shoes up to \$150 per year.

B. Social Security Reimbursement: The City will pay the employee's portion of Social Security up to the Social Security maximum established by law each calendar year.

C. 401A: All employees who are permanent full-time and permanent part-time will receive 2½ % of their salary in a 401 A retirement program, fully funded by the City. An optional ICMA 457 Deferred Compensation plan is also available to all employees.

D. Life Insurance: All employees who are permanent full-time and permanent part-time will receive 1½ times their annual salary in a life insurance policy up to \$100,000.

E. Employee Assistance Program: The Employee Assistance Program provides confidential, professional consultation and referral services to employees and their immediate families.

F. Promotional Probation Period: Employees who receive a promotional appointment to positions in the classified service that are not designated as management, confidential employees, department heads, or the City Manager shall enjoy a probationary period of six (6) months.

G. Severance Pay: The City will provide four (4) week's severance pay for any employees laid off.

H. Performance Review/Pay Process Transparency: The City will provide the Association with the total performance review score for each bargaining unit member annually on or before September 10 of every year. The total performance review score report will be anonymous and will not contain information that would link a score to an individual employee.

Annually in September, the City will survey each bargaining unit member for input on the performance review process and will meet with bargaining unit members for feedback on the process.

The City will additionally permit two Association members to meet with two non-represented members to review a random sample of 50% of the Position Specific and Personal Growth Goals used to evaluate employees in the prior fiscal year and to report back to the Association and the City on a comparison of the goals for consistency and

EXHIBIT A

City of Indian Wells Approved Positions List w/Salaries and Ranges Salaries for Fiscal Year '2015/16

	POSITION	RANGE	BEGIN RANGE	TOP RANGE
1	City Manager	83	\$202,099	\$245,658
2	Finance Director	75	\$170,018	\$206,663
3	Community Development Director	74	\$165,872	\$201,623
4	Public Works Director	72	\$157,879	\$191,908
5	Director of Marketing & Community Relations	66	\$136,139	\$165,481
6	Information Technology Manager	64	\$129,579	\$157,507
7	Public Works Superintendent	56	\$106,351	\$129,274
8	Assistant to City Manager	52	\$96,349	\$117,116
9	City Clerk	52	\$96,349	\$117,116
10	Senior Accountant	48	\$87,287	\$106,101
11	Assistant Engineer II	46	\$83,081	\$100,988
12	Assistant Planner	44	\$79,078	\$96,122
13	Accounting Technician III/Payroll	42	\$75,268	\$91,491
14	Marketing Associate	41	\$73,432	\$89,259
15	Landscape Specialist	40	\$71,641	\$87,082
16	Code Enforcement/Deputy Fire Marshal	40	\$71,641	\$87,082
17	Building Inspector II	40	\$71,641	\$87,082
18	Senior Executive Assistant/Deputy City Clerk	39	\$69,894	\$84,958
19	Senior Electrical Maintenance Technician	39	\$69,894	\$84,958
20	Building Technician II	38	\$68,189	\$82,886
21	Executive Assistant	36	\$64,903	\$78,892
22	Accounting Technician II	32	\$58,799	\$71,472
23	Administrative Assistant	31	\$57,365	\$69,729
24	Administrative Assistant	31	\$57,365	\$69,729
25	Administrative Assistant	31	\$57,365	\$69,729
26	Accounting Technician 1	28	\$53,269	\$64,750
27	Public Works Maint. Worker II	28	\$53,269	\$64,750
28	Public Works Maint. Worker I	24	\$48,259	\$58,661
29	Receptionist	21	\$44,813	\$54,472
			2,577,088	3,132,539

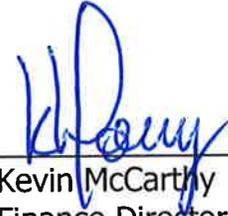
This MOU is hereby executed by the parties hereto as set forth below.

CITY OF INDIAN WELLS

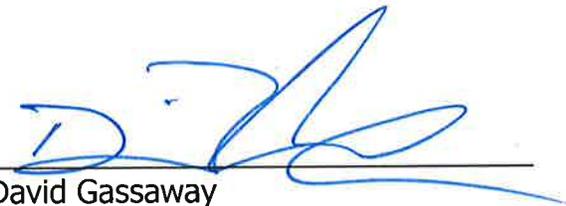
DATED: July 1, 2015



Wade G. McKinney
City Manager



Kevin McCarthy
Finance Director



David Gassaway
Assistant to the City Manager

INDIAN WELLS CITY EMPLOYEES ASSOCIATION

DATED: July 1, 2015



Bondie Baker
President, IWCEA



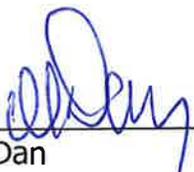
Bruce Pelletier
Vice President, IWCEA



Sonia Hapner
Secretary, IWCEA



Mirian Fulson
Treasurer, IWCEA



Mihai Dan
At Large Member, IWCEA

fairness. The City will work with the Association and non-represented employees to improve consistency in subsequent years.

I. Classification and Compensation Study: The City will conduct a classification and compensation study during the term of this agreement as set forth in Section 1. The City and the Association shall agree on the selection of the firm to conduct the classification and compensation study and comparator cities based on the firm's recommendations. The City and the Association agree to reopen this agreement to meet and confer regarding the implementation of the classification and compensation study.

J. Termination Hearing Procedure: Association members may elect, at their sole expense, to submit their termination cases to binding arbitration rather than follow the post-Skelly procedures set forth in the Personnel Rules. Should an Association member elect binding arbitration, then the Association member will provide their own representation and pay the arbitrator's fee and, if the employee orders the transcript, then the court reporters and transcript fee. Once an election to go to arbitration has been made, the Association will not represent the member at the arbitration, will have no further involvement in the case, and will not be responsible for any costs or fees related to the arbitration.

SECTION 12: SOLE AND ENTIRE AGREEMENT.

It is the intent of the parties hereto that the provisions of this MOU shall supersede all prior agreements, memoranda of agreement or memoranda of understanding, or contrary salary and/or personnel rules and regulations, administrative codes, provisions of the City (other than the Municipal Code), whether oral or written, expressed or implied, between the parties, and shall govern the entire relationship and be the sole source of any and all rights which may be asserted hereunder. This MOU is not intended to conflict with federal or state law.

SECTION 13: WAIVER OF BARGAINING DURING TERM OF THIS AGREEMENT.

During the term of this MOU, the Association agrees that it will not initiate or require the City to undergo the meet and confer process with respect to wages, hours, and terms and condition of employment, whether or not contained in this MOU or in the City's Personnel Rules and Regulations, except as required by specific Provisions of this MOU. The City also agrees that it will not initiate or require the Association to undergo the meet and confer process with respect to wages, hours, and terms and conditions of employment contained in this MOU. As stated above in Section 12, the City reserves the right to modify terms in the Personnel Rules and Regulations that are not contained in this MOU, subject to any applicable meet and confer obligations.