

SEIU Local 721
Gold Coast Transit

Mechanical Unit

Memorandum of Understanding

**July 2, 2014,
through
October 31, 2017**



MEMORANDUM OF UNDERSTANDING BETWEEN
GOLD COAST TRANSIT
AND
SERVICE EMPLOYEES INTERNATIONAL UNION #721
JULY 2, 2014 THROUGH OCTOBER 31, 2017
MECHANICAL UNIT

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TABLE OF CONTENTS

MEMORANDUM OF UNDERSTANDING MECHANICAL UNIT

PART I – UNIT-SPECIFIC ARTICLE SECTION

SECTION 1 INTRODUCTION

1.01	Parties to Memorandum	1
1.02	Board of Directors Approval and Implementation	1
1.03	Parties' Rights	Part II
1.04	Severability	Part II
1.05	Payroll Deductions.....	Part II
1.06	Nondiscrimination Policy	Part II
1.07	Generic Clause.....	Part II
1.08	Definitions.....	1

SECTION 2 WAGES

2.01	Wages and Wage Schedule	2
2.02	Longevity Pay	Part II
2.03	Incentive for Attendance	Part II
2.04	Night Differential	2
2.05	Out-of-Classification Pay	2
2.06	Call-Back Pay	2

SECTION 3 HOURS

3.01	Mechanical Hours.....	2
3.02	Overtime.....	3
3.03	Schedule Exchange Program	3

SECTION 4 BENEFITS

4.01	Medical, Dental, and Vision Insurance	Part II
4.02	Retirement.....	Part II
4.03	Life Insurance	Part II
4.04	Long-Term Disability Insurance	Part II

SECTION 5 LEAVE TIME

5.01	Holidays.....	Part II
5.02	Sick Leave.....	Part II
5.03	Employee Sick Leave Donation Program	Part II
5.04	Industrial Leave	Part II
5.05	Bereavement Leave	Part II

5.06	Community Service Program Leave	Part II
5.07	FMLA/CFRA	Part II
5.08	Vacation	Part II
5.09	Vacation Bidding.....	4

SECTION 6 WORKING CONDITIONS

6.01	Seniority	4
6.02	Physical Examination	4
6.03	Textbook and Tuition Reimbursement.....	Part II
6.04	Uniform Allowance.....	5
6.05	Accident Review Board	Part II
6.06	Safety	6
6.07	Tools	6
6.08	Shift Bidding	6

SECTION 7 UNION RIGHTS

7.01	Reasonable Notice	Part II
7.02	Access to Premises	Part II
7.03	Stewards Administrative Leave	Part II
7.04	Adverse Action, Notice And Procedures.....	Part II
7.05	<i>Skelly</i> Procedure	Part II
7.06	Bulletin Board	Part II
7.07	Fair Share/Agency Shop	Part II
7.08	Layoffs.....	Part II
7.09	Monthly Labor-Management Meetings	Part II
7.10	Complaint Form	Part II

SECTION 8 CLOSING

8.01	Term of Memorandum	Part II
8.02	Peaceful Performance	Part II
8.03	Successors and Assignees	Part II
8.04	Full Understanding Modification and Waiver	Part II

PART II - COMMON ARTICLE SECTION

SECTION 1 INTRODUCTION

1.01	Parties to Memorandum	Part I
1.02	Board of Directors Approval and Implementation	Part I
1.03	Parties' Rights	7
1.04	Severability	8
1.05	Payroll Deductions.....	8
1.06	Nondiscrimination Policy	8
1.07	Generic Clause.....	8

1.08	Definitions.....	Part I
SECTION 2 WAGES		
2.01	Wages and Wage Schedule	Part I
2.02	Longevity Pay	8
2.03	Incentive for Attendance	8
2.04	Night Differential	Part I
2.05	Out-of-Classification Pay	Part I
2.06	Call-Back Pay	Part I
SECTION 3 HOURS		
3.04	Mechanical Hours	Part I
3.05	Overtime	Part I
3.06	Schedule Exchange Program	Part I
SECTION 4 BENEFITS		
4.01	Medical, Dental, and Vision Insurance	9
4.02	Retirement.....	9
4.03	Life Insurance	10
4.04	Long-Term Disability Insurance	10
SECTION 5 LEAVE TIME		
5.01	Holidays.....	10
5.02	Sick Leave	10
5.03	Employee Sick Leave Donation Program	11
5.04	Industrial Leave	12
5.05	Bereavement Leave	13
5.06	Community Service Program Leave	13
5.07	FMLA/CFRA	13
5.08	Vacation	13
5.09	Vacation Bidding.....	Part I
5.10	Time Off for Military Service	14
SECTION 6 WORKING CONDITIONS		
6.01	Seniority	Part I
6.02	Physical Examination	Part I
6.03	Textbook and Tuition Reimbursement.....	15
6.04	Uniform Allowance.....	Part I
6.05	Accident Review Board	15
6.06	Safety	Part I
6.07	Tools	Part I
6.08	Shift Bidding	Part I

SECTION 7 UNION RIGHTS

7.01	Reasonable Notice	17
7.02	Access to Premises	17
7.03	Stewards Administrative Leave	17
7.04	Adverse Action, Notice And Procedures.....	17
7.05	<i>Skelly</i> Procedure	20
7.06	Bulletin Board	21
7.07	Fair Share/Agency Shop	21
7.08	Layoffs	22
7.09	Monthly Labor-Management Meetings	22
7.10	Complaint Form	22

SECTION 8 CLOSING

8.01	Term of Memorandum	22
8.02	Peaceful Performance	22
8.03	Successors and Assignees	23
8.04	Full Understanding Modification and Waiver	23

APPENDICES

A	Wage Table	24
B	Monthly GCT Health Insurance Premium Contribution.....	25

MEMORANDUM OF UNDERSTANDING

MECHANICAL UNIT

PART I – UNIT-SPECIFIC ARTICLE SECTION

Part I contains Articles that are specific only to the GCT-SEIU 721 Mechanical Unit MOU.

SECTION 1 INTRODUCTION

Article 1.01 PARTIES TO MEMORANDUM

This Memorandum of Agreement has been entered into between SERVICE EMPLOYEES INTERNATIONAL UNION LOCAL #721 (SEIU), as the formally recognized employee organization, and GOLD COAST TRANSIT (GCT), on behalf of the employees occupying the job classifications of:

Mechanic I, Mechanic II, Mechanic III, (and E-Mechanic I, II and III), Service Worker I, Service Worker II, Facility and Equipment Mechanic I, Facility and Equipment Mechanic II, Building Maintenance Worker

SEIU is hereby certified as the formally recognized employee organization for those employees occupying the job classifications listed above regarding wages, hours and other terms and conditions of employment.

Article 1.02 BOARD OF DIRECTORS APPROVAL AND IMPLEMENTATION

It is agreed that this Memorandum of Understanding (MOU) is of no force or effect unless ratified by the employees of the Mechanical Unit and approved by Resolution duly adopted by the Board of Directors of GOLD COAST TRANSIT.

This Memorandum of Understanding constitutes the mutual recommendation by the parties to the GCT Board of Directors that one or more resolutions be adopted

accepting this Memorandum and affecting the changes enumerated herein relative to wages, fringe benefits and other terms of employment for the employees represented by SEIU.

Article 1.03 PARTIES' RIGHTS Common Article

Article 1.04 SEVERABILITY Common Article

Article 1.05 PAYROLL DEDUCTIONS Common Article

Article 1.06 NONDISCRIMINATION POLICY Common Article

Article 1.07 GENERIC CLAUSE Common Article

Article 1.08 DEFINITIONS

As an aid to understanding the meaning of certain clauses, this section provides definitions of words contained within this agreement.

Employee – Anyone hired by GCT who has not terminated that relationship, either voluntarily or involuntarily, and is covered by this agreement.

Regular Employee – Any employee who has successfully completed the probationary period for his current position.

Probationary Employee – Period of time from placement into a position until the employee becomes a regular employee. Normal introductory period is the initial six (6) months of employment in a specific classification, in accordance with Section 23G of the GCT Personnel Rules. Regular three month reviews of performance will be conducted during the probationary period,

including any extensions of the probationary period. This means that all probationary employees will receive a three-month review. Any employee whose probation is extended beyond six months will receive a six-month review, and any employee who remains on probation after nine months will receive a nine-month review.

Full Time – Regular assignment in position is at least 35 hours a week.

Part Time – Regular assignment in position is less than 35 hours a week.

Extra Board – Required to work as assigned.

Temporary Employee – Anyone hired by GCT for an interim, short term period which is not covered by this agreement. No bus operators will be hired as temporary employees.

SECTION 2 WAGES

Article 2.01 WAGES AND WAGE SCHEDULE

- A. There is established a six-step wage schedule. A newly hired unit employee may be compensated at the first ("A") step or above depending on qualifications. Employees at step "A" shall be eligible for advancement to Step "B" after having served six (6) months at Step "A"; employees at Step "B" shall be eligible for advancement to Step "C" after having served six (6) months at Step "B"; employees at Step "C" and subsequent steps shall thereafter be eligible for advancement to each subsequent steps after having served one (1) year in the prior step. Step "F" is the top step.

See the wage scale in Appendix "A".

- B. All bargaining unit employees hired prior to June 13, 2014 who remain on active payroll as of June 30, 2014 will receive a one-time signing bonus of \$750 if this MOU is ratified by the bargaining unit no later than 5 pm on June 30, 2014 and subsequently approved by the GCT

Board of Directors. The bonus will be paid no later than July 18, 2014. Article 2.01B will be automatically deleted in the subsequent MOU.

Article 2.02 LONGEVITY PAY Common Article

Article 2.03 INCENTIVE FOR ATTENDANCE Common Article

Article 2.04 NIGHT DIFFERENTIAL

A five percent (5%) night differential shall be paid to those employees required to work three hours or more of their work shift before 8:00 AM or after 6:00 PM.

Article 2.05 OUT-OF-CLASSIFICATION PAY

If the General Manager temporarily appoints a unit employee to serve as the Acting Director of Fleet & Facilities, his salary shall be at least five percent (5%) greater than that being earned at the previous salary.

Article 2.06 CALL-BACK PAY

A Mechanical Unit employee called back to work after leaving work at the end of his or her shift shall be guaranteed a minimum of two hours work upon returning, or shall be guaranteed a minimum of two hours pay. This article will only apply if the call back was made by management more than 30 minutes after the employee clocked out, and the if employee had left the property prior to the call being made.

SECTION 3 HOURS

Article 3.01 MECHANICAL HOURS

Work Week: A work schedule of forty (40) hours of work in a five (5) day-week, with the regular workday as an eight and one-half (8½) hour scheduled day, shall be considered as the regular working hours required for a full-time maintenance employee. Any hours in excess of that

requirement shall be considered overtime work for these classifications listed in Article 1.01.

All regular and probationary, full-time maintenance employees will receive two fifteen-minute paid rest periods and one thirty-minute unpaid lunch period. Management retains the right to schedule such periods and they shall be coordinated with the shift to provide maximum flexibility and continuity of personnel on duty.

Article 3.02 OVERTIME

A. Overtime Work - Defined: Overtime work is work performed by an employee at times other than those normally required for his employment and must be in excess of the number of hours established as full-time service for the position classification (forty [40] hours). Mechanical Unit employees will be paid on a minute for minute basis for overtime. Vacation leave taken shall not be counted as time worked for purposes of computing overtime, and sick leave taken shall not be counted as time worked for purposes of computing overtime.

B. Overtime Worked - Compensation: Employees shall be paid for overtime at one and one-half (1-1/2) the regular hourly rate.

C. Overtime Assignment: Overtime work, when available, should be performed by Unit employees. Overtime should be distributed and rotated by an established overtime list of those employees in the job classification required to perform the work. The ranking of the list shall be based on seniority of those individuals on the list.

D. Compensatory Time Off: Mechanical Unit employees may elect to accrue compensatory time off in lieu of cash for overtime worked. Compensatory time shall be accrued at the overtime rate to a maximum balance of forty (40) hours annually. Any time accumulated and not taken off by November 30th of any calendar year shall be paid in cash during the month of December.

Article 3.03 SCHEDULE EXCHANGE PROGRAM

All mechanical unit employees may participate in a schedule exchange program that allows the switching of shifts within the same payroll week between two same classification employees if it is agreed upon by GCT management. A form for the exchange of work shifts must be completed and signed by both parties. The following rules apply to all schedule exchange requests:

A. No request is guaranteed to be approved simply because both mechanical unit employees within same classification have agreed. The request must also be approved by management and must not impact service coverage needs of the agency. An exchange will only be approved in situations where an employee requested vacation and the request was not approved.

B. No request will be granted that would increase either employee's scheduled overtime by more than one hour of their current total weekly bid time.

C. Request will only be granted when GCT has sufficient personnel available on the affected days to insure adequate staffing in case of unexpected absences.

D. There is no set number of approved slots for exchange. Each request is on a case-by-case approval.

E. Any exchanged shift becomes part of that employee's regular work schedule and counts towards qualification for holiday pay

SECTION 4 BENEFITS

All Articles in Section 4 are Common Articles

Article 4.01 MEDICAL, DENTAL, AND VISION INSURANCE

Common Article

Article 4.02 RETIREMENT

Common Article

Article 4.03 LIFE INSURANCE

Common Article

**Article 4.04 LONG-TERM DISABILITY
INSURANCE**

Common Article

SECTION 5 LEAVE TIME

Article 5.01 HOLIDAYS

Common Article

Article 5.02 SICK LEAVE

Common Article

**Article 5.03 EMPLOYEE SICK LEAVE
DONATION PROGRAM**

Common Article

Article 5.04 INDUSTRIAL LEAVE

Common Article

Article 5.05 BEREAVEMENT LEAVE

Common Article

**Article 5.06 COMMUNITY SERVICE
PROGRAM LEAVE**

Common Article

Article 5.07 FMLA/CFRA

Common Article

Article 5.08 VACATION

Common Article

Article 5.09 VACATION BIDDING

Sign-ups for vacation usage shall be conducted for two periods: (1) December to May and (2) June to November. Management will post a notice fifteen days in advance informing employees when the bidding period will end. Results will be posted at least thirty (30) days before the beginning of the vacation bid period. Seniority shall be the determining factor for date selection. More than one employee may be allowed off at any one time.

After the bid cycle is completed, non-bid vacation shall be distributed on a first come-first serve basis, based on the date the request was time stamped. The Director of Fleet & Facilities shall approve the vacation requests based upon GCT's operational

needs. The Director of Fleet & Facilities will make every effort to approve or deny non-bid vacation requests no later than ten days after receipt of vacation request. Requests for vacation received five (5) days or less prior to the date of the requested vacation day will be approved at the discretion of the Director of Fleet & Facilities. If a vacation request extends over both vacation bid periods, consideration of the request will be done on a case-by-case basis.

**SECTION 6 WORKING
CONDITIONS**

Article 6.01 SENIORITY

Seniority shall be the determining factor in all work schedules and vacations. Seniority is defined as the last date of hire with GCT.

All employees hired before November 9, 2010 shall have seniority based on last date of hire for a specific job classification. All employees hired on or after November 9, 2010 shall have seniority based on last date of hire into a job classification group. The groups are as follows:

Mechanical Group – Mechanic I, Mechanic II, Mechanic III, (and E-Mechanic I, II and III)

Service Group – Service Worker I, Service Worker II

Facility Group – Facility & Equipment Mechanic I Facility & Equipment Mechanic II, Building Maintenance Worker

Any employee who has served as a supervisor and passed probation, and subsequently is permitted by management to return or demote to a represented position, for seniority purposes shall start from the bottom of the seniority list.

Article 6.02 PHYSICAL EXAMINATIONS

GCT will provide physical examinations for each employee by a GCT selected physician once every two (2) years. For employees

**REVISION TO ARTICLE 6.01 OF THE MECHANICAL UNIT
MEMORANDUM OF UNDERSTANDING BETWEEN GOLD COAST TRANSIT
DISTRICT AND SERVICE EMPLOYEES INTERNATIONAL UNION #721
JULY 2, 2014 THROUGH OCTOBER 31, 2017**

This revised article was approved by SEIU 721 Mechanical Unit members on February 17, 2015 and ratified by the GCTD Board of Directors on March 4, 2015. This article replaces the original Article 6.01 in its entirety.

Article 6.01 SENIORITY

Seniority shall be the determining factor in all work schedules and vacations. Seniority is defined as the last date of hire with GCT.

All Mechanical job group employees shall have seniority based on the last date of hire into the Mechanical job group.

All Service job group employees shall have seniority based on the last date of hire into the Service job group.

All Facility job group employees shall have seniority based on the last date of hire into the Facility job group

The groups are as follows:


Mechanical Group — Mechanic I, Mechanic II, Mechanic III, (and E-Mechanic I, II and III)


Service Group — Service Worker I, Service Worker II

Facility Group — Facility & Equipment Mechanic I, Facility & Equipment Mechanic II, Building Maintenance Worker

Any employee who has served as a supervisor and passed probation, and subsequently is permitted by management to return or demote to a represented position, for seniority purposes shall start from the bottom of the seniority list.

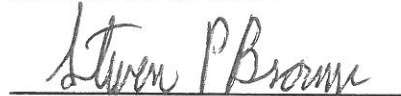
ON BEHALF OF SEIU 721:


Aram Agdaian
SEIU 721


Miguel Valdes
Mechanical Unit

3/9/15
Date

ON BEHALF OF GCT:


Steven P. Brown
General Manager


Robert Lurie
Director of Fleet and Facilities

3-9-15
Date

who maintain an active commercial driving license, GCT will provide physical examinations for each employee by a GCT selected physician once every two (2) years, or more often as required to maintain a commercial driving license.

Article 6.03 TEXTBOOK AND TUITION REIMBURSEMENT
Common Article

Article 6.04 UNIFORM ALLOWANCE

- A. GCT will rent uniforms for all maintenance employees. Employees shall be responsible for placing dirty uniforms in designated receptacle on the day and time prescribed by the uniform rental company. Failure to do so will relieve GCT of any obligation to provide clean uniforms during the week the employee fails to comply. It will be the responsibility of the employee to pay the cost for uniforms damaged due to their own negligence. Should any part of the uniform be damaged in the performance of the employee's duties without negligence by the employee, the employee will not be responsible for the cost of the replacement. Employees will, at all times they are on duty, wear uniforms as specified by GCT that are presentable, clean and in good repair.
- B. All regular Mechanical Unit employees shall be provided one work jacket with liner every other fiscal year during the term of this agreement, starting in FY 2014-15. Such jacket shall be of GCT's selection with no cost to the employee. The jacket will have reflective properties which can be worn in lieu of a safety vest. GCT will provide cleaning of the uniform jacket and liner four (4) times annually.
- C. All Mechanical Unit employees shall be provided the following rain gear:
- Rain Jacket
 - Rain Trousers
 - Rain Boots
 - Rain Hood
- Rain gear which is no longer serviceable will be replaced on an exchange basis.
- D. All regular and probationary maintenance personnel will wear safety shoes while on duty in accordance with GCT Standard Safety Practices. GCT shall provide a pair of safety shoes to all regular and probationary maintenance personnel. Annually within one week of July 1, GCT will authorize the purchase of one pair of safety shoes, which may include insoles, at a cost not to exceed \$175.00. GCT shall not be required to replace lost or stolen boots.
- E. Employees in the position of Service Worker I or Service Worker II will be provided a second pair of safety shoes, which may include insoles, every other year, with the total cost to GCT for each fiscal year not to exceed \$275.00. GCT will in July authorize for Service Workers (I or II) the purchase of safety shoes at any time during the year; one pair, not to exceed \$175, in fiscal years that start in July of an even numbered year and two pair, not to exceed \$275, in years that start in July of an odd numbered year. It is agreed that any costs billed to GCT in excess of the authorized amount in any fiscal year will be reimbursed as a pickup from the employee's pay in the following pay period. Service Workers hired after January 1st of an odd numbered year, who are provided one pair of safety shoes when first hired, will be authorized in the following July to purchase only one additional pair the following fiscal year.
- F. Safety shoes which meet specifications described in GCT Standard Safety Practices shall be purchased from a vendor with whom GCT has established a business agreement. GCT will provide the employee with an approved purchase form, and GCT will be directly billed by the vendor. Shoe purchases will be made outside of the employee's work shift and on the employee's own time. GCT agrees to meet and confer with SEIU 721 prior to changing safety shoe vendor(s).

Article 6.05 ACCIDENT REVIEW BOARD
Common Article

Article 6.06 SAFETY

All maintenance positions shall be responsible for keeping their work area clean and neat as well as complying with OSHA regulations and reasonable GCT policies on safety.

GCT agrees that SEIU's business agent shall be permitted to accompany management on safety inspections conducted by the safety representative of the State Compensation Insurance Fund.

Article 6.07 TOOLS

A. All standard mechanic positions shall supply their own hand tools, "roll-aways," and shall likewise be responsible for their maintenance, repair and cleanliness.

B. GCT's mechanic tool reimbursement allowance shall apply to each regular Mechanic (I, II and III) and Facility and Equipment Mechanic (I and II), who have successfully completed their probationary period. Reimbursement will be up to \$600 per fiscal year (July through June). Beginning in FY14-15, increases to the tool allowance will be based on Los Angeles area CPI for the period of the preceding fiscal year.

C. All eligible Mechanics (I, II and III), Electronic Mechanics (I, II and III) and Facility and Equipment Mechanics (I and II) shall be reimbursed up to the allowable amount respectively, upon written proof of purchase of mechanic tools that will be utilized for the repair of GCT fleet or facilities, respectively. Written proof shall be in the form of a fully completed bona fide receipt from the supplier with the name, address, and specific tools utilized for the repair of GCT fleet. The receipt shall be signed by a representative of the supplier and dated.

Receipts for mechanic tools which exceed the employee's annual allotment may be submitted by the employee for reimbursement in subsequent years until the

receipt has been fully reimbursed. GCT shall be relieved of any obligation to reimburse the employee for non-applicable tools or other materials, and failure to comply with other conditions set forth above.

D. Newly eligible employees may receive reimbursement in the first year of eligibility prorated by the number of full or partial months for which they are eligible in that fiscal year. (Example: An employee who passes probation and becomes eligible effective April 15th is eligible for three months - April, May and June - out of twelve; the employee may be reimbursed in that fiscal year to a maximum of 25% - 3/12^{ths} - of the annual fiscal year maximum). Receipts for qualifying tools purchased after the employee's hire date but prior to the employee becoming eligible for this program may be submitted after the employee becomes eligible for the program as described in paragraph (C) above.

E. GCT shall permit tool trucks to visit the GCT facility on a scheduled basis. The trucks will be encouraged to visit during lunch or break periods. Mechanical Unit employees will be allowed to clock out to visit the tool trucks, if it is not their lunch or break time, a total of thirty (30) minutes per month. This thirty (30) minute time period shall be unpaid by GCT.

Article 6.08 SHIFT BIDDING

Scheduled shift bids shall be conducted in mid-October and mid-April before any vacation bidding occurs as specified in Article 5.09. Shift preference shall be given to the most senior employee; seniority as defined in the MOU.

Management retains the right to initiate an unscheduled shift bid at any time based on operating requirements.

SECTION 7 UNION RIGHTS

All Articles in Section 7 are Common Articles

Article 7.01 REASONABLE NOTICE
Common Article

Article 7.02 ACCESS TO PREMISES
Common Article

**Article 7.03 STEWARD
ADMINISTRATIVE LEAVE**
Common Article

**Article 7.04 ADVERSE ACTION,
NOTICE AND PROCEDURES**
Common Article

Article 7.05 SKELLY PROCEDURE
Common Article

Article 7.06 BULLETIN BOARD
Common Article

**Article 7.07 FAIR SHARE/AGENCY
SHOP**
Common Article

Article 7.08 LAYOFFS
Common Article

**Article 7.09 MONTHLY LABOR-
MANAGEMENT MEETINGS**
Common Article

Article 7.10 COMPLAINT FORM
Common Article

SECTION 8 CLOSING

All Articles in Section 8 are Common Articles

Article 8.01 TERM OF MEMORANDUM
Common Article

**Article 8.02 PEACEFUL
PERFORMANCE**
Common Article

**Article 8.03 SUCCESSORS AND
ASSIGNEES**
Common Article

**Article 8.04 FULL UNDERSTANDING
MODIFICATION AND WAIVER**
Common Article

PART II - COMMON ARTICLE SECTION

*Part II contains Articles that are common
language to all GCT-SEIU 721 MOUs.*

SECTION 1 INTRODUCTION COMMON ARTICLES

Article 1.03 PARTIES' RIGHTS

A. GCT Management's Rights

The parties hereto recognize that the rights reserved by GCT include, but are not limited to, the exclusive right to determine the mission of its constituent departments; set standards of service; establish fare collection and sales procedures and methods; determine the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of transit operations; determine the methods, means and personnel by which transit operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work, except as amended by this agreement.

B. SEIU 721's Rights

The parties hereto recognize that SEIU 721 retains the right to 1) file grievances as to decisions that impact or effect 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, as set forth in Government Code section 3504, and 2) meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of such recognized employee organizations, as defined in subdivision (b) of Section 3501, and have

GCT consider fully such presentations as are made by the employee organization on behalf of its members prior to arriving at a determination of policy or course of action as set forth in Government Code section 3505.

C. Release for Bargaining

During MOU negotiations, GCT management will coordinate temporary work schedule or shift changes for employees on SEIU 721's bargaining team to facilitate negotiations. Such changes are subject to operational considerations, and will be limited to two (2) representatives from the Bus Operator's Unit, one (1) representative from the Mechanical Unit and one (1) representative from the Administrative Support Unit.

Article 1.04 SEVERABILITY

If any section, subsection, subdivision, sentence, clause or phrase of this Memorandum of Understanding is for any reason held to be illegal or unconstitutional, such decision shall not affect the validity of the remaining portion of this Memorandum of Understanding.

Article 1.05 PAYROLL DEDUCTIONS

It is mutually agreed that GCT will, during the term of this Memorandum, deduct monies and remit to SEIU as authorized by Employee Payroll Deduction Authorization providing there are not more than five deductions per pay period. All requests for payroll deduction shall be submitted no less than seven (7) calendar days before payday. GCT and SEIU mutually agree that both parties be saved, indemnified and held harmless from any liability due to errors and omissions arising out of the other party's use of the SEIU's sponsored deduction code.

Article 1.06 NONDISCRIMINATION POLICY

It is agreed that neither SEIU nor GCT shall discriminate against any employee for any category protected by state or federal law, or because of union membership or lawful union activity.

Article 1.07 GENERIC CLAUSE

Any reference to he, his, man or men used in this Agreement shall be in the generic sense and will refer equally to either sex without discrimination.

SECTION 2 WAGES COMMON ARTICLES

Article 2.02 LONGEVITY PAY

To encourage stability of employment with GCT, additional payment over and above the salary assigned to a position classification shall be paid to each regular full-time employee as follows:

- A. Employees shall receive an additional sum equal to one percent (1%) of the basic salary step held by the employee for each five (5) years of GCT service.
- B. The additional payment shall be made at each time any installment of salary is made to the eligible employee, and the amount of the additional payment shall be predicated upon the increment of salary then paid.

Article 2.03 INCENTIVE FOR ATTENDANCE

If an employee has no unscheduled absences (sick leave, GCT family leave as defined in Article 5.02E, suspensions or industrial leave) in a 6-month period (November 1-April 30; May 1-October 31), a bonus of \$150 for each qualifying 6-month period will be paid. If an employee has no unscheduled absences for the full contract year (November 1-October 31), an additional \$100 bonus will be paid, for a maximum of \$400 per contract year.

SECTION 3 HOURS COMMON ARTICLES

None

SECTION 4 BENEFITS COMMON ARTICLES

Article 4.01 MEDICAL, DENTAL, AND VISION INSURANCE

The total monthly GCT insurance premium contribution for health, dental, and vision benefits for regular and probationary full-time and part-time bus operator employees is listed in Appendix "B".

- A. If GCT's contribution to medical, dental, and/or vision insurance premium is in excess of the respective amounts for the employee, no excess monies shall be returned to the employee.
- B. If two GCT employees are a legally married couple or registered domestic partners, GCT will pay for their full premium of the HMO plans of health and dental insurance and vision insurance. The two GCT employees must select joint insurance coverage under either "Employee+1" or "Employee + family."
- C. GCT Management will review benefit and premium proposals and recommendations with the SEIU stewards or designated representatives by September 21st of each year. GCT shall authorize paid time up to an aggregate total of four (4) hours per year for a maximum of three SEIU stewards or designated representatives participating in this review.
- D. During the term of the MOU, if health insurance premiums increase by an average of by more than twelve percent per year, there shall be a re-opener to discuss options of paying the increased premium cost.
- E. GCT and SEIU agree to an Employee Assistance Program (EAP) for the employees.

Article 4.02 RETIREMENT

A The retirement program for GCT is the CalPERS 2.7% @ 55 full and supplemental formula for local miscellaneous members and 1959 Survivor Benefit Level IV.

B. Effective November 2, 2011 ("conversion date"), employees hired on or after the conversion date will be considered "recent employees" for purposes of this article. Employees hired before the conversion date will be considered "prior employees" for purposes of this article. For "prior employees," GCT shall contribute to the California Public Employees' Retirement System (CalPERS) the employee contribution portion for the 2.7% @ 55 full and supplemental formula for local miscellaneous members. For "recent employees," GCT and the employee shall each contribute to the California Public Employees' Retirement System (CalPERS) a share of the employee contribution portion for the 2.7% @ 55 full and supplemental formula for local miscellaneous members, in accordance with Section C of this article.

C. Effective July 6, 2014, all employees considered "prior employees" for purposes of this article shall contribute 2% of the 8% PERS employee contribution, and GCT shall contribute the remaining 6% share. All employees considered "recent employees" for purposes of this article shall continue to contribute 4% of the 8% PERS employee contribution, and GCT shall continue to contribute the remaining 4% share.

4. Effective July 5, 2015, all employees shall each contribute 4% of the 8% PERS employee contribution, and GCT shall contribute the remaining 4% share. This covers both "prior employees" and "recent employees."

5. Effective July 3, 2016 all employees shall each contribute 6% of the 8% PERS employee contribution, and GCT shall contribute the remaining 2% share. This covers both "prior employees" and "recent employees."

D. For any fiscal year in which GCT's employer contribution to the California Public Employees' Retirement System retirement program referenced in Section A of this article is 10% or less of covered wages, the "recent employees" employee contribution share percentage will be reduced from 4% of covered wages by the difference. *(Example: If GCT's employer*

contribution were 9.25%, the "recent employees" employee contribution share percentage would drop by .75% [10%-9.25%]; this would make the "recent employees" employee contribution 3.25% [4%-.75%.])

E. GCT will notify SEIU Local 721 of the following fiscal year's employer contribution each year within 14 days of receipt of such notification from CalPERS.

F. GCT and SEIU 721 acknowledge that all employees covered by this agreement are considered transit employees as defined in California Government Code section 7522.02, and both parties will abide by the provisions set forth in Government Code section 7522.02 as well as the final resolution of the judicial actions contemplated in Government Code section 7522.02. (*State of California, et al. v. US Department of Labor et al.*)

Article 4.03 LIFE INSURANCE

GOLD COAST TRANSIT shall provide term life insurance benefits in the amount of one-times the employee's annual salary (rounded to the nearest \$1,000) not to exceed \$100,000.

Article 4.04 LONG-TERM DISABILITY INSURANCE

Effective January 1, 2006, GCT shall provide 100% employer paid coverage of long-term disability insurance that will provide a minimum of sixty percent (60%) of earnings after six months of disability. Maximum monthly benefit shall not exceed \$3,000.

SECTION 5 LEAVE TIME COMMON ARTICLES

Article 5.01 HOLIDAYS

A. All employees covered by this Memorandum shall be paid holiday pay as provided in this Article. If any employee is regularly scheduled for less than full time, they shall receive holiday

pay on a pro rata basis. The paid holidays shall be:

1. New Year's Day - January 1
2. Martin Luther King Day - Third Monday in January
3. Washington's Birthday - Third Monday in February
4. Cesar Chavez's Birthday - March 31
5. Memorial Day - Last Monday in May
6. Independence Day - July 4
7. Labor Day - First Monday in September
8. Veterans Day - November 11
9. Thanksgiving Day - Fourth Thursday in November
10. Thanksgiving Friday - Day following Thanksgiving
11. Christmas Eve - The last half work day immediately before Christmas Day
12. Christmas Day - December 25
13. New Year's Eve - The last half work day immediately before New Year's Day

Management will meet and confer with SEIU before proposing to provide scheduled service for any holiday on which GCT currently is closed.

- B. Employees shall be paid two and one-half (2½) times their regular hourly rate for all time worked on holidays as listed above. Employees shall work the full shift of their last regularly scheduled day before the holiday, the full shift of their first regularly scheduled day after the holiday, and the full shift of their scheduled holiday shift to be eligible for holiday pay. For purposes of this article, a scheduled overtime shift is considered a regularly scheduled day.
- C. Employees shall receive straight time plus one-half (½) their regular hourly rate as vacation time for scheduled hours not worked on Thanksgiving Day, Christmas Day and New Year's Day.
- D. There shall be no pyramiding of hours. If a holiday falls on an employee's regularly scheduled time off, vacation time off shall be granted.

Article 5.02 SICK LEAVE

- A. All regular full-time employees hired prior to December 2, 1981 will accrue

sick leave entitlement at the rate of 3.693 hours per biweekly pay period (equivalent of eight [8] hours per month).

- B. As of November 1, 2005, all employees hired after December 1, 1981 who become full-time employees will accrue sick leave at the rate of 2.769 hours per bi-weekly pay period (equivalent of six [6] hours per month).
- C. Effective January 1, 1985, all regular employees who have accrued sick leave for one full calendar year and uses sixteen (16) hours or less of accrued sick leave in a calendar year may elect to convert eight (8) hours of accrued sick leave to eight (8) hours of vacation. Such election shall be made in January of the following calendar year.
- D. All employees accumulating 480 hours of sick leave may elect to convert sixteen (16) hours of such sick leave to vacation leave. This election shall be made one time each calendar year and shall be on a one for one basis.
- E. An employee may use up to one-half the annual accrual rate for the care of his or her child (biological, foster, or adopted child, a stepchild, a legal ward, or a child of a person standing in loco parentis), parent (biological, foster, or adoptive parent, a stepparent, or a legal guardian), spouse or registered domestic partner.
- F. A note from a medical physician confirming treatment is required if (1) an employee is on sick leave for three or more consecutive days or (2) for less than three consecutive days, at the discretion of the supervisor, based on the employee's attendance record and with prior notice. The General Manager, or designee, shall review each January and July the record of those employees who have mandatory requirements to provide a physician's note. The findings will be provided to SEIU.

In the biannual attendance record review each January and July:

1) Employees who have seven (7) sick days in the six-month review period will be placed on the mandatory physician's note list. Full or partial sick days each count as an absence. Prescheduled sick-day absences will not count toward this total, sick days covered by approved FMLA leave will not count toward this total, and for employees with an extended illness or injury absence only the first three days of each extended absence will count toward this total;

2) Employees on the mandatory physician's note list must have four (4) or fewer sick day absences to be removed from the mandatory physician's note list. Employees with an extended absence during the six month review period will not be eligible to be removed from the mandatory physician's note list.

3) The General Manager reserves the discretionary right to excuse any employee from the mandatory physician's note list based on extenuating circumstances. Employees may elect to be placed on the list on a voluntary basis.

Article 5.03 EMPLOYEE SICK LEAVE DONATION PROGRAM

The purpose of this program is to allow regular employees to voluntarily donate a portion of their accumulated vacation or sick leave hours for use by another regular employee who has suffered a catastrophic illness or injury.

- A. A catastrophic illness or injury is a severe illness or injury constituting a momentous tragic event of extreme misfortune that is expected to incapacitate the employee for an extended period of time and which creates a financial hardship because the employee has exhausted all of his/her accumulated leave banks.
- B. The application of this program is on a case-by-case basis at the discretion of the SEIU steward team for represented employees. Each request will be

reviewed for uniformity and consistency of application.

- C. Eligibility to participate in this program is limited to regular employees.
- D. Accumulated vacation or sick leave time may be donated. To be eligible to donate, an employee must retain a minimum of 60 hours in the accrual bank designated. If the adjusted accrual bank falls beneath this minimum, no donation can be made.
- E. During a twelve-month period, an employee may donate to a recipient a maximum of 40 hours and a minimum of 4 hours.
- F. The maximum donated hours an employee may receive is 480 hours in a twelve-month period.
- G. Donated leave hours will be credited to the recipient's sick leave bank on an hour-for-hour basis at the recipient's hourly rate of pay at the time the sick leave is used.
- H. All donated time will be designated as sick leave accrual for the recipient.
- I. If the employee is receiving state disability insurance or temporary disability indemnity benefits payments, the payment of the leave will be adjusted to the normal net take-home pay (as defined in the policy under Section 5.04 Industrial Leave).
- J. Donated vacation hours, up to a maximum of 40 vacation hours in a rolling 12-month period, shall be counted as "used hours" for the purposes of qualifying for the vacation redemption benefit referenced in Section 9F of the GCT Personnel Rules.

Article 5.04 INDUSTRIAL LEAVE

Any employee incapacitated to work because of injury or disease arising out of and suffered in the course of GCT employment, is entitled to industrial injury leave during the period of his incapacity.

- A. Worker's Compensation Benefits: If the injury or disease is covered by the Worker's Compensation Insurance and Safety Act, the employee is entitled to benefits provided under the Act, including:

1. Related Medical Expenses; and
2. Temporary and permanent disability indemnity benefit payments.

- B. Industrial Disability Compensation: Whenever any GCT employee is disabled temporarily and is entitled to receive temporary disability indemnity benefits payments provided under the Worker's Compensation Insurance and Safety Act, the employee may fill out a form indicating the use of accumulated sick leave time and/or accumulated vacation time up to the amount of his net take-home pay, but not to exceed a total period of twenty-six (26) weeks for any one injury or all combined injuries within one calendar year. The form must be submitted to the payroll office within three days from the start of the leave period and the decision is irrevocable. If a form is not submitted within the required time period, the automatic default will be the use of only the accumulated sick leave time up to the amount of his net take-home pay, but not to exceed a total period of twenty-six (26) weeks for any one injury or all combined injuries within one calendar year.

As used in this section, "net take-home pay" means an employee's regular, current biweekly rate of pay, less deductions for federal and state income tax and CalPERS retirement plan contributions; the term does not include overtime, standby or shift differential pay. GCT shall continue to pay insurance premiums for the period of industrial injury for the employee, but not to exceed a period of twenty-six (26) weeks provided the carrier for each of these programs will accept the payment without additional premium cost to GCT.

Article 5.05 BEREAVEMENT LEAVE

- A. When an employee is absent from duty because of the death of a member of his immediate family, such employee shall be entitled to five (5) working days leave of absence with pay. Immediate family shall be the father, mother, mother-in-law, father-in-law, spouse or registered domestic partner, children (biological, adopted or step), brother, sister, grandparent or grandchild of the employee.
- B. The first five (5) days of bereavement leave taken by an employee are not chargeable to accrued leave. Any authorized bereavement leave taken in excess of five (5) days is chargeable to either accrued sick or vacation leave, at the employee's discretion.
- C. A regular employee who has accrued sick leave may take an additional two days chargeable to accumulated sick leave if in the opinion of the General Manager excessive travel is required in connection with the death of a family member.
- D. Management will make every effort to grant requests for vacation or comp time for bereavement for relatives not listed in Section "A" above, when documentation of the death and funeral service is provided. In such circumstances, time off for the grieving employee may take priority over other employees' non-bid vacation requests which have not yet been approved.

Granting such bereavement requests will be at the discretion of management based on operating requirements.

Article 5.06 COMMUNITY SERVICE PROGRAM LEAVE

GCT may approve the use of paid vacation and/or compensatory time for emergency leave requests by an employee actively involved in a public agency sponsored community service program relating to emergency search and rescue programs, provided that the following requirements are met:

- A. The employee must provide evidence that they are an active volunteer for a Public Agency sponsored community service program relating to emergency search and rescue.
- B. The employee must receive written authorization from his/her immediate supervisor. The authorization shall not be orally and must be communicated in person between the employee and the immediate supervisor.
- C. Under no condition shall GCT be obligated to pay premium time pay for the employee during the time of his/her participation in the community service program.
- D. Within one week (5 calendar days) upon return to work at GCT, the employee shall provide written verification on the letterhead of the public agency sponsoring the emergency search and rescue program, and signed by a supervisor of that agency, stating that the employee was performing a specific emergency search and rescue function.
- E. The public agency sponsoring the emergency search and rescue program shall certify in writing that GCT be held harmless in the event that the participating GCT employee is injured, becomes ill or otherwise is incapacitated as a result of performing any and all of the public agency safety service activities.
- F. The employee must have sufficient vacation time and/or compensatory time accrued for this leave to be granted.

Article 5.07 FMLA/CFRA

Employees on FMLA/CFRA leave may utilize paid leaves. The twelve (12) month period used for determining eligibility shall be based on a twelve (12) month rolling period. GCT agrees to pay medical premiums while on approved leave.

Article 5.08 VACATION

- A. VACATION ACCRUAL: Employees having an appointment to a regular

position are eligible for their first vacation accrual when they have completed two weeks of continuous service. All employees who have appointments to regular positions earn vacation accrual for each biweekly pay period, or major fraction thereof of service, from the date of their original appointment in accordance with the following table:

VACATION CREDIT FOR FULL-TIME SERVICE

<u>YEARS OF SERVICE</u>	<u>HOURS PER MO.</u>	<u>HOURS BIWEEKLY</u>
Less than 3	6-2/3	3.077
3 but less than 5	8	3.693
5 but less than 7	8-2/3	4.000
7 but less than 9	9-1/3	4.308
9 but less than 10	10	4.616
10 but less than 11	10-2/3	4.924
11 but less than 12	11-1/3	5.231
12 but less than 13	12	5.539
13 but less than 14	12-2/3	5.847
14 or more	13-1/3	6.154

B. VACATION SEVERANCE PAY: Any employee who leaves the service of GCT shall be paid for accrued vacation at the rate currently authorized for the position-classification salary range and step level.

C. VACATION CARRIED FORWARD: Vacations shall be taken as earned or within the calendar year following the year that vacation time is accrued. Accrued vacation time may be carried forward to the following year, but in no instance may an employee carry forward total vacation accrual as of the first of April of any year greater than twice the number of days that the employee currently earns annually. Employees affected by this limit will be notified during January of each year that they either are already over the maximum, or could exceed the maximum on or before the first of April. The employee can then do any or all of the following:

1. After January 1st and prior to March 31st, request or volunteer to be assigned enough vacation days to bring the accrued vacation time amount below the maximum. All vacations must be scheduled in accordance with the rules

and processes defined in section 5.09 of the MOU. All assigned vacation must be completed prior to April 1st.

2. Prior to April 1st, request vacation redemption, in accordance with Section 9F of the Personnel Rules, to bring the accrued vacation time amount below the maximum by April 1st, or
3. On or after March 1st and prior to April 1st, request conversion of accrued vacation time to accrued sick time. A maximum of 40 hours can be converted from accrued vacation time to accrued sick time in any one year. This conversion can be made only by an employee who has been notified that they are or will be over the maximum, can only be made during this period, and will only be approved if such action will allow the employee to drop below the maximum accrued vacation limit.
4. If no action is taken, the employee will cease accruing additional vacation hours starting with the first pay period beginning after April 1st, until enough vacation is taken that the accrued vacation time drops below the maximum.
- D. VACATION SCHEDULING: The vacation period may be taken at one time, or it may be taken several days at a time if it so fits the work program of GCT. In any event, the vacation time off is to be scheduled by the General Manager, or designee, in such a manner that GCT's functions will not be greatly interrupted.
- E. ADDITIONAL VACATION IN LIEU OF SICK LEAVE: When an employee's accumulated sick leave credit as of the First of January of each year exceeds the maximum allowable, the employee shall receive an additional vacation leave entitlement of 25% of such excess sick leave.

Article 5.10 – TIME OFF FOR MILITARY SERVICE - UNITED STATES ARMED FORCES RESERVE TRAINING

- A) An employee subject to the terms of this MOU, who is called into or enlists in the

Armed Forces of the United States, shall be given leaves of absence in accordance with applicable state and federal laws affecting military leave.

B) An employee subject to the terms of this MOU shall be granted necessary time off for military training as provided for under Section 395 of the California Military and Veterans Code.

C) An employee subject to the terms of this MOU will be compensated with pay for time off for a maximum of 30 calendar days for time involved in active duty training in accordance with Sections 395.01, 395.02, and 395.05 of the Military and Veterans Code as may be applicable.

D) An employee subject to the terms of this MOU will be compensated for the shortfall between military pay and pay for the employee's regularly scheduled GCT shift or shifts, if any, for days spent in inactive duty training time or drills, not to exceed 24 days in any calendar year. GCT shall also allow paid time off for one-half day on the day immediately preceding an inactive duty training assignment if that preceding day is a scheduled work day.

SECTION 6 WORKING CONDITIONS COMMON ARTICLES

Article 6.03 TEXTBOOK AND TUITION REIMBURSEMENT

GCT shall provide reimbursement for the cost of textbooks, tuition, registration and laboratory fees for school courses, workshops, and seminars completed on the employee's own time. A maximum of seven hundred (\$700) dollars per fiscal year shall be covered for each employee that has successfully completed eligible course work. Courses must be completed satisfactorily with grade of "C" or its equivalent in order to be eligible for reimbursement. In order to be eligible, courses must be offered at an institution that has been accredited through the Western Association of Schools and Colleges (WASC). (A listing of the

institutions is on the web site of WASC—<http://www.wascweb.org>.)

Advance approval for the reimbursement of eligible expenses must be received from GCT prior to the first class session. An official record of grades and receipts must be received by GCT within 90 days after the last class session. Reimbursement will be made to the employee within two weeks after the grade report and receipts have been submitted to GCT.

Article 6.05 ACCIDENT REVIEW BOARD

A. Accident Review - The Director of Transit Operations, or designee, shall conduct a review of all occurrence reports to determine if the occurrence was an "incident" or an "accident". On reports determined to be an "accident" the Director of Transit Operations, or designee, shall make a determination of "preventable" or "non-preventable". This determination is to be made in a timely manner. The employee involved in the occurrence will be notified of the classification of the incident and the determination on preventability. This designation will be made based on information contained in the accident report, interviews with the employee and any witnesses and review of video if available. The Director of Transit Operations, or designee, will utilize Transportation Safety Institute guidelines in determining preventability.

B. Appeal Process - If the employee involved disagrees with the determination made by the Director of Transit Operations, or designee, the operator may appeal that decision to the Accident Review Board (ARB). The Board may uphold or overturn the previous decision based upon a full review of the facts and evidence, and such action is final.

C. Action - It will be the responsibility of the Director of Transit Operations to inform the affected operators of the results and finding of the ARB.

D. ARB Organization - The Accident Review Board (ARB) will be comprised

of one (1) Operator Representative, one (1) Management Representative, and one (1) Maintenance Representative. All voting representatives except Management Representative shall possess a valid Class A or B license. All voting representatives shall be rotated at least every three years. Each ARB member may have one alternate designated to serve in the member's absence. The designated alternate must have an appropriate background to be able to determine if an accident is preventable or non-preventable.

1. Operator Representative: To be eligible to serve on the ARB an Operator should be required to have to his/her credit at least one full year of no-accident driving with GCT. This will help to avoid criticism of Board Members by adjudged Operators. This representative will be selected by the Operators.

2. Management Representative: The Management Representative will display real interest in the safety programs and provide authority in the Board decisions. This representative will be selected by the Director of Transit Operations with the concurrence of the General Manager

3. Maintenance Representative: The Maintenance Representative should have an all-around working knowledge of the maintenance of all vehicles should questions of mechanical failure come up in a meeting. This representative will be a Mechanic I, Mechanic II or Mechanic III, and will be selected by the Director of Fleet and Facilities with the concurrence of the General Manager.

4. Ex-Officio Member: The Human Resources and Risk Manager shall serve as a nonvoting, ex-officio member of the ARB. The ex-officio member will be responsible for video review and will fully participate in deliberations, except that only voting members will be present during voting.

E. Action: It will be the responsibility of Management to inform all Operators of the results and findings of the ARB.

F. Method of Operation: The ARB shall review the accident reports and uphold or overturn the previous decision as to the preventability or non-preventability of the accident on the basis of those facts. The Board shall not assume the accident was preventable unless the driver refuses to cooperate with the investigation or fails to completely fill out an accident report as required by GCT. The ARB will meet monthly as needed to review the accidents that occurred in the previous month.

G. Definition of Preventability: A preventable accident is any occurrence involving a GCT-owned or operated vehicle which results in property damage and/or personal injury, regardless of who was injured, what property was damaged, to what extent, or where it happened, in which the Operator in question failed to do everything he/she reasonably could have done to prevent the occurrence.

H. Guide to Determine Accident Preventability: This Safety Program is designed to recognize expert, safe driving performance, not just average performance. It is based on the concept of defensive driving - the ability to avoid accidents in spite of the wrong actions of the other drivers and in spite of adverse driving conditions.

I. Determination by the Accident Review Board: Once a determination is made by the Board, the Operator may appeal that determination at the next ARB meeting. The Board may uphold or overturn its previous decision based upon additional facts, and such action is final. The determination for disciplinary action based upon the results of the ARB is solely the prerogative of GCT management. The ARB shall not make personnel decisions nor be responsible for adverse actions against GCT employees.

SECTION 7 UNION RIGHTS COMMON ARTICLES (ALL)

Article 7.01 REASONABLE NOTICE

Except in cases of emergency, GCT shall provide advance notice to SEIU of any intended significant change to any rule, procedure or practice which falls within the scope of bargaining.

Reasonable written notice (normally not less than fifteen [15] calendar days) shall be given to SEIU of any proposed rule, resolution or regulation directly relating to matters within the scope of representation, as defined in California Government Code Section 3505, prior to the time it is presented to the Board of Directors for consideration, or, if not a matter of Board policy, prior to implementation. If SEIU, within seven calendar days of receiving such written notice, requests to meet and confer on the proposal, such a meeting will be held within fourteen calendar days of the request unless time is extended by mutual agreement. The meeting will be held prior to implementation or presentation to the Board.

In cases of emergency (defined as an unforeseen combination of circumstances that calls for immediate action and which does not occur with a degree of regularity) when the Board of Directors determines that a rule, resolution or regulation must be adopted immediately without prior notice or meeting with SEIU, GCT shall provide such notice and opportunity to meet at the earliest practicable time following the adoption of such a rule, resolution or regulation for reconsideration of the matter.

Article 7.02 ACCESS TO PREMISES

GCT agrees that SEIU's representatives and/or stewards shall have reasonable access to the work premises for the purpose of investigating, processing and/or resolving grievances, providing that SEIU's representatives and/or officers/stewards shall notify the supervisor in the area upon arriving on the premises. It is agreed by GCT and SEIU that grievances may be processed during working hours subject to the provisions that the mission and operation of GCT are not unreasonably

interrupted or interfered with, nor unsafe conditions are created by such activity. It is agreed that officers/stewards shall be permitted to conduct a reasonable amount of SEIU business regarding grievances during working hours without loss of pay; and that the union may appoint one [1] officer/steward per every thirty [30] unit employees. In addition, one steward-at-large may be appointed for the three represented units (Administrative Support, Mechanical, and Bus Operators). SEIU may use GCT facilities to conduct meetings subject to and in accordance with presently existing applicable rules.

Article 7.03 STEWARD ADMINISTRATIVE LEAVE

GCT shall authorize the use of vacation or compensatory time up to an aggregate total of thirty-two [32] hours per year for use by SEIU officer(s)/steward(s) to attend employer-employee relations seminars or other union conferences. Time off for this purpose may take priority over other employees' non-bid vacation requests which have not yet been approved. Granting such time off requests will be at the discretion of management based on operating requirements.

Article 7.04 ADVERSE ACTION, NOTICE AND PROCEDURES

A. An adverse action is defined as a violation of the expressed terms of this Memorandum of Understanding or the GCT Personnel Rules, or other rules or practices in place at GCT. Any regular employee against whom an adverse action is initiated by GCT, dependent upon the seriousness of the violation, for suspension without pay, demotions, and dismissals, absent any extraordinary or truly unusual circumstances, will be given pre-disciplinary procedural rights, such as notice and a hearing.

The notice shall be served upon the employee either personally, by mail or by company mail, and shall include: (1) notice of the intended action, the cause or causes thereof, (2) the employee's acts or omissions that form the basis for

the cause(s), (3) information to the employee that any documents or materials giving rise to the action will be made available for the employee's inspection or that copies thereof are attached to the notice of intended action, and (4) notice that the employee will have the right to respond to the allegations set forth in the notice of intent, either in writing or at a pre-disciplinary meeting or conference.

1. **Grievance Procedure:** Adverse actions consisting of suspensions without pay of two days or less, imposed upon employees where minor actions may not require pre-disciplinary Skelly Procedures, are adjudicated by a Grievance Procedure. GCT will apply pre-disciplinary procedural rights on suspensions without pay of 2 days or less for any regular employee against whom an adverse action is initiated, in accordance with the grievance procedure described in Article 7.04B.

2. **Skelly Procedure:** Adverse actions consisting of suspensions without pay of more than two days, demotions or dismissals, are adjudicated by a Skelly Procedure. GCT will apply pre-disciplinary procedural rights on behalf of any regular employee against whom an adverse action is initiated, in accordance with the process described in Article 7.05.

3. **Letters to the file:** Letters to the file by GCT pertaining to employees which are not grievable may be rebutted, in writing, by the employee within five (5) working days after receipt of the letter. Letters to the file shall not be incorporated into the employee's personnel file if there are no similar occurrences within one year from the date of issuance of the correspondence. It shall be the employee's responsibility to request GCT to remove the document(s) in accordance with this provision.

4. **Reprimands/Letters of Warning:** Reprimands or letters of warning shall be grievable and shall be appealable

under the grievance procedure described in Article 7.04B.

Written reprimands or letters of warning which are more than two years old will not be referenced for disciplinary purposes; this does not apply to discipline for occurrences which took place prior to the date this contract was signed.

B. **Grievance Procedure:** A "grievance" shall be defined as a controversy between GCT and SEIU or an employee or employees. Such controversy must pertain to a dispute regarding the interpretation, application or enforcement of the terms of this Memorandum, or the Resolutions or Rules of GCT that fall within the scope of representation and excluding the practical consequences or impact on employment terms or conditions of decisions made by GCT under Article 1.03 "GCT Management Rights Reserved." There shall be an earnest effort on the part of both parties to settle grievances promptly through the steps listed below.

1. **STEP ONE -RESPONSE TO NOTICE - WRITTEN GRIEVANCE:**

a. An employee's grievance must be submitted, verbally or on the grievance form, to his supervisor within fifteen (15) calendar days after initial notice is served. The Supervisor will give his or her written response to the employee by the end of the seventh (7th) calendar day following the presentation of the grievance.

b. If the employee disputes the supervisor's response to the grievance, the grievance must be reduced to writing by the employee, fully stating the facts surrounding the grievance and detailing the specific provisions of this Memorandum, Resolution or Rule alleged to have been violated, the specific remedy or remedies sought, signed and dated by the employee and presented to the General

Manager, or designee, within seven (7) calendar days after termination of Step One.

2. STEP TWO - PRE-DISCIPLINARY MEETING AND NOTICE OF ACTION:

A meeting with the employee, Steward and/or Union Business Representative and General Manager or designee will be arranged at a mutually agreeable location and time to review and discuss the grievance. The meeting will take place within fourteen (14) calendar days from the date the grievance is received by the General Manager or designee. The General Manager or designee may invite other members or representatives of management to be present at such meeting. After reviewing the information presented by the employee and all other documentation, the general manager, or designee, will issue the notice of action in a written reply by the end of the tenth (10th) calendar day following the date of the meeting. The employee must be provided at least five (5) days notice before the effective date of the action.

Time limits as set forth in Step One and Step Two may be extended by mutual agreement between the parties.

3. STEP THREE – MEDIATION -

Grievances which are not settled and which either party desires to contest further shall be submitted to MEDIATION. The process is as follows: Either party may request the grievance be submitted to mediation within five (5) calendar days of receipt of the written reply from Step Three. The State Mediation and Conciliation Service (SMCS), a service provided by the Stated Department of Industrial Relations, shall be requested to provide a mediator to meet with the parties in an attempt to resolve the grievance.

In the event the attempt to mediate the grievance is not successful, any offers of compromise, or statements of the mediator or the parties made during the mediation phase are confidential and may not be disclosed in any manner whatsoever or offered as evidence or as an admission against interest in any other administrative proceeding, arbitration or judicial proceeding.

The parties agree to bear their own costs, if any, of mediation including attorney's fees.

The parties may agree by advance mutual written consent, that any mediation hearing be considered final and the decision therein be considered binding on both parties. In a binding mediation, the ground rules set forth for Section 7.04(B)(5) "Arbitration," items b through f, shall apply to the mediation. If the parties agree by advance to binding mediation, this shall be the final step and Section 7.04(B)(5) "Arbitration" will not apply. The parties agree to bear their own counsel fees, if any, for binding mediation.

4. STEP FOUR - ARBITRATION:

Grievances which are not settled and which either party desires to contest further, shall be submitted to arbitration as provided in Step Four within fifteen (15) calendar days from completion of step three, mediation. The process is as follows:

- a. As soon as possible, and in any event not later than fifteen (15) calendar days after either party received written notice from the other of the desire to arbitrate, an arbitrator shall be selected from a list provided by the State Mediation and Conciliation Service (SMCS). The parties shall select by alternate striking of names until one name remains. The party who strikes the first

name from the panel shall be determined by lot.

- b. Either GCT or SEIU may call any employee as a witness, and GCT agrees to release said witness from work if he is on duty. If an employee is called by GCT, GCT will reimburse him for lost time.
- c. The arbitrator shall have no power to alter, amend, change, add to, or subtract from any of the terms of the Memorandum or GCT Resolutions or Rules. The decision of the arbitrator shall be based solely upon the evidence and arguments presented to him by the respective parties in the presence of each other.
- d. The decision of the arbitrator within the limits herein prescribed shall be final and binding upon the parties to the dispute.
- e. The mutual decision of the parties and/or arbitrator in any dispute shall be the final and binding decision on all parties and there shall not be any appeal to another authority, board, commission and/or agency.
- f. The arbitrator may hear and determine only one grievance at a time without the express agreement of GCT and SEIU, unless two or more grievances raise the same issues and it is agreed upon by both GCT and SEIU to join the grievances.
- g. The parties shall share equally the expense of the cost, if any, of arbitration with the exception of attorney's fees or court reporters, without approval of the parties.

Article 7.05 SKELLY PROCEDURE

- A. Notice of Intent: Any regular employee against whom an adverse action is initiated by GCT, dependent upon the seriousness of the violation, for

suspension without pay exceeding two (2) days, demotions, and dismissals will be: (1) notified of the intended action, (2) the cause or causes thereof, the employee's acts or omissions that form the basis for the cause(s), (3) informing the employee that any documents or materials giving rise to the action will be made available for the employee's inspection or that copies thereof are attached to the notice of intended action, (4) The employee will have the right to respond to the allegations set forth in the notice of intent, either in writing or at a pre-disciplinary conference.

- 1. If the employee chooses to respond in writing to the notice of intent, the written response must be submitted within 5 working days of receipt of the notice.
 - 2. If the employee chooses to appear at the pre-disciplinary conference, the employee will have the right to representation. Even if the employee has representation, the employee must personally appear at the meeting. The employee must notify GCT management that he will appear for the meeting.
- B. Skelly Meeting: The Skelly meeting will be conducted by the general manager, or designee. This is not an adversarial proceeding, therefore the employee will not have the opportunity to cross-examine GCT representatives, nor present the formal case and opposition to the proposed discipline.
 - C. Notice of Action: After reviewing the information presented by the employee and all other documentation, the general manager, or designee, will issue the notice of action. The employee must be provided at least five (5) days notice before the effective date of the action. The employee may appeal the proposed disciplinary action within five (5) working days after receipt of the notice of action to the Labor/Management Committee.
 - D. Labor/Management Committee: A Labor/Management Committee will be

formed by one member from management, who is appointed by the general manager, and one member from the union, who is appointed by the union. The committee will meet within five (5) working days after receipt of an appeal of a proposed disciplinary action. The committee can invite the appealing employee to attend the meeting. The committee will review the proposed action and supporting documentation. The committee will make every effort to agree upon the appropriate action for the employee. If an agreement is reached on the appropriate action, notice will be provided to the employee within ten (10) working days.

- E. Final Appeal: If the Labor/Management Committee cannot reach an agreement to resolve the matter, the represented employee may appeal the proposed disciplinary action to an Appeal Review Board or to an Arbitrator selected from a State Mediation and Conciliation Service (SMCS) list. The final appeal must be made to the general manager within five (5) working days after the decision has been issued from the committee. The decision reached in this step shall be final and binding on all parties.

1. Appeal Review Board: A three-member board of review is formed by the general manager appointing two members from among public agency officials whose responsibilities encompass personnel matters and SEIU appointing a member representative. The board of review shall determine from among the members its own chairperson, who has authority to conduct the hearing. The general manager, or designee, and the employee may be represented, may themselves testify, call witnesses and submit other relevant evidence. The board of review shall, by a majority of its members, make written findings and a decision affirming, revising or modifying the adverse action based on applicable law, GCT policies, procedures and rules, and the evidence and arguments presented by the parties.

2. Arbitration: As soon as possible, and in any event not later than fifteen (15) calendar days after either party receives written notice from the other of the desire to arbitrate, the parties shall agree upon an arbitrator. The State Mediation and Conciliation Service (SMCS) shall provide a list of qualified arbitrators and SEIU and GCT will select the arbitrator by alternating the striking of submitted names until one arbitrator remains. Either GCT or SEIU may call any employee as a witness and GCT agrees to provide leave for said witness from work if he is on duty. The decision of the arbitrator shall be based solely upon the evidence and arguments presented to him by the respective parties in the presence of each other. The losing party in the arbitration shall be responsible for the cost of arbitration and court reporters, with the exception that each party shall be responsible for its own counsel's fees.

Article 7.06 BULLETIN BOARD

One bulletin board will be provided in the bus operators break room upon which SEIU may only post notices of community involvement; recreational and social affairs; voter registration information; union member benefits; newsletters; union rights notices; and letters from the union to the membership. Also, notices of meetings or elections and appointments and results of elections. The posting of any other classes of notices or the distribution of any written or printed notices, cards, pamphlets or literature of any kind at GCT work stations or premises is prohibited without prior permission of GCT's General Manager or designee.

Article 7.07 FAIR SHARE/AGENCY SHOP

- A. Unit employees, who choose not to become members of SEIU shall be required to pay to SEIU a representation service fee that represent such employee's proportionate share of SEIU's costs of legally authorized representational services on behalf of unit employees in their relations with

GCT. Such representation service fee shall in no event exceed the regular periodic membership dues paid by unit employees who are members of SEIU. Employees shall be subject to its terms thirty (30) days after becoming an employee of GCT.

- B. SEIU shall make available to unit employees required to pay a representation service fee under this Section, at its expense, an escrow and administrative appeals procedure for challenging the amount of the fee that complies with the requirements of applicable law.
- C. SEIU agrees to fully indemnify GCT and its officers, employees and agents against any and all claims, proceedings and liability arising, directly or indirectly, out of any actions taken or not taken by or on behalf of GCT under this Section, and to reimburse GCT for its costs in defending against any such claims, proceedings or liability.

Article 7.08 LAYOFFS

It is agreed that during the term of this agreement if layoffs occur SEIU and GCT will meet and discuss the impacts of the actions. Seniority, as defined in Article 6.01, will govern the order of layoffs within any position. Any employee scheduled for layoff in his or her current position that has held another position in any GCT Unit within the past two years may bump back into their most recently held position and reacquire seniority in that position based on their hire date into that position.

Employees in this unit experiencing a layoff will be entitled to a continuation of health benefits beyond the normal cancellation of benefits by signing up for COBRA. For employees who choose to sign up for COBRA, GCT agrees to pay, for the first month only, the difference between the employee's previous health care contribution and the cost of COBRA. (Example: If employee's monthly contribution to health benefits at time of layoff is \$200 and employee's first month COBRA benefit cost is \$800, GCT will pay the difference of \$600)

Article 7.09 MONTHLY LABOR-MANAGEMENT MEETINGS

GCT and SEIU agree to schedule and hold as practical a regular monthly labor-management meeting at a time and day mutually agreeable to both parties, to discuss current labor management issues. Both GCT and SEIU agree to make a best effort to schedule and attend this meeting, but acknowledge that this may not always be possible.

The monthly labor-management meeting shall be comprised of no more than three (3) SEIU members and three (3) management representatives; additional participants may attend by mutual agreement. When a specific agenda item pertains to a specific unit or to all units, a member from each affected unit may attend. Up to three (3) SEIU members shall be granted paid release time if the meeting conflicts with their regularly scheduled shift, to a maximum of two (2) hours of paid release time per person per meeting. When all three bargaining units must be represented, a fourth SEIU member may be granted paid release time if the meeting conflicts with his or her regularly scheduled shift, to a maximum of two (2) hours of paid release time per meeting.

Article 7.10 COMPLAINT FORM

It is agreed that a complaint form will be available to employees in this unit to address employee complaints.

SECTION 8 CLOSING COMMON ARTICLES (ALL)

Article 8.01 TERM OF MEMORANDUM

The term of this Memorandum is July 1, 2014 through October 31, 2017. Either party may serve the other, in writing, at any point after June 30, 2017, with a request to open negotiations for a successor agreement.

Article 8.02 PEACEFUL PERFORMANCE

SEIU agrees that neither SEIU, its officers or agent, nor any of the employees covered by

this MOU will cause, engage in, sanction, or support any strikes, work slow-downs, the stoppage of work, or the abstinence in whole or in part of the full, faithful and proper performance of the duties of employment, nor shall SEIU or any employee covered by this MOU honor any similar job action of any other employee or group of employees of GCT or any union or association by withholding or refusing to perform services for GCT. In the event an employee violates this provision, SEIU shall immediately notify any such employee in writing to cease and desist from any such action and shall instruct them to return to their duties. SEIU agrees that any or all employees who violate any of this provision may be disciplined up to and including discharge. GCT agrees there shall be no lockouts made by GCT.

Article 8.03 SUCCESSORS AND ASSIGNEES

This Agreement shall be binding upon the successors and assignees of the parties hereto, and no provisions contained in this Agreement shall be modified in any respect by either party.

Article 8.04 FULL UNDERSTANDING MODIFICATION AND WAIVER

The provisions of this Memorandum of Understanding, together with those wages, hours and working conditions within the scope of bargaining in existence prior to this

MOU, which are not changed by this Memorandum, shall constitute the wages, hours and working conditions for the employees during the term of the Memorandum of Understanding.

Except as specifically provided herein, it is agreed and understood that each party voluntarily and unqualifiedly waives its rights, and agrees that the other shall not be required, to negotiate with respect to any subject or matter covered herein or with respect to any other matters within the scope of negotiations, during the term of the Memorandum of Understanding.

The parties hereto have participated jointly in the negotiation and drafting of this MOU. In the event an ambiguity or question of intent or interpretation arises, this MOU shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this MOU.

Any agreement, alteration, understanding, variation, waiver or modification of any of the terms or provisions contained herein shall not be binding upon the parties hereto unless made and executed in writing by all parties hereto, and if required, approved and implemented by the Board of Directors.

The waiver of any breach, term or condition of this memorandum by either party shall not constitute a precedent in the future enforcement of all its terms and provisions.

APPENDIX "A"

Mechanical Unit Wage Table, 2014-2017

Position	Effective Date	STEPS					
		A	B	C	D	E	F
Mechanic I *	7/6/2014	\$15.96	\$16.35	\$17.64	\$18.53	\$19.44	\$20.40
	7/5/2015	\$16.60	\$17.00	\$18.35	\$19.27	\$20.22	\$21.22
	7/3/2016	\$17.26	\$17.68	\$19.08	\$20.04	\$21.03	\$22.07
	7/2/2017	\$17.78	\$18.21	\$19.65	\$20.64	\$21.66	\$22.73
Mechanic II *	7/6/2014	\$20.95	\$21.99	\$23.10	\$24.27	\$25.46	\$26.76
	7/5/2015	\$21.79	\$22.87	\$24.02	\$25.24	\$26.48	\$27.83
	7/3/2016	\$22.66	\$23.78	\$24.98	\$26.25	\$27.54	\$28.94
	7/2/2017	\$23.34	\$24.49	\$25.73	\$27.04	\$28.37	\$29.81
Mechanic III *	7/6/2014	\$21.68	\$22.77	\$23.91	\$25.12	\$26.34	\$27.67
	7/5/2015	\$22.55	\$23.68	\$24.87	\$26.12	\$27.39	\$28.78
	7/3/2016	\$23.45	\$24.63	\$25.86	\$27.16	\$28.49	\$29.93
	7/2/2017	\$24.15	\$25.37	\$26.64	\$27.97	\$29.34	\$30.83
Service Worker I	7/6/2014	\$14.19	\$14.91	\$15.62	\$16.39	\$17.22	\$18.06
	7/5/2015	\$14.76	\$15.51	\$16.24	\$17.05	\$17.91	\$18.78
	7/3/2016	\$15.35	\$16.13	\$16.89	\$17.73	\$18.63	\$19.53
	7/2/2017	\$15.81	\$16.61	\$17.40	\$18.26	\$19.19	\$20.12
Service Worker II	7/6/2014	\$14.71	\$15.43	\$16.17	\$16.95	\$17.82	\$18.69
	7/5/2015	\$15.30	\$16.05	\$16.82	\$17.63	\$18.53	\$19.44
	7/3/2016	\$15.91	\$16.69	\$17.49	\$18.34	\$19.27	\$20.22
	7/2/2017	\$16.39	\$17.19	\$18.01	\$18.89	\$19.85	\$20.83
Facility and Equipment Mechanic I	7/6/2014	\$15.96	\$16.35	\$17.64	\$18.53	\$19.44	\$20.40
	7/5/2015	\$16.60	\$17.00	\$18.35	\$19.27	\$20.22	\$21.22
	7/3/2016	\$17.26	\$17.68	\$19.08	\$20.04	\$21.03	\$22.07
	7/2/2017	\$17.78	\$18.21	\$19.65	\$20.64	\$21.66	\$22.73
Facility and Equipment Mechanic II	7/6/2014	\$20.95	\$21.99	\$23.10	\$24.27	\$25.46	\$26.76
	7/5/2015	\$21.79	\$22.87	\$24.02	\$25.24	\$26.48	\$27.83
	7/3/2016	\$22.66	\$23.78	\$24.98	\$26.25	\$27.54	\$28.94
	7/2/2017	\$23.34	\$24.49	\$25.73	\$27.04	\$28.37	\$29.81
Building Maintenance Worker	7/6/2014	\$14.19	\$14.91	\$15.62	\$16.39	\$17.22	\$18.06
	7/5/2015	\$14.76	\$15.51	\$16.24	\$17.05	\$17.91	\$18.78
	7/3/2016	\$15.35	\$16.13	\$16.89	\$17.73	\$18.63	\$19.53
	7/2/2017	\$15.81	\$16.61	\$17.40	\$18.26	\$19.19	\$20.12
* Electronic Mechanic (E-Mechanic) designation pays \$1.00 per hour premium above equivalent level Mechanic position							

APPENDIX "B"

Monthly GCT Health Insurance Premium Contribution

Effective 1/1/2013

Full Time

Part Time

<u>Employee</u>	<u>Employee + One Dependent</u>	<u>Employee + Family</u>
\$469	\$840	\$1,094
\$469	\$764	\$925

Effective 1/1/2015

Full Time

Part Time

\$483	\$865	\$1,127
\$483	\$787	\$953

Effective 1/1/2016

Full Time

Part Time

\$502	\$900	\$1,172
\$502	\$818	\$991


Effective 1/1/2017

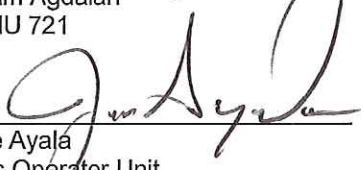
Full Time

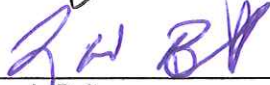
Part Time


\$522	\$936	\$1,219
\$522	\$851	\$1,031

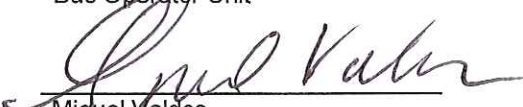
ON BEHALF OF SEIU 721:

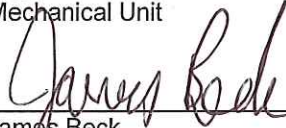

Aram Agdaian
SEIU 721



Joe Ayala
Bus Operator Unit


Louis Beltran
Bus Operator Unit


Alex Dinkel
Bus Operator Unit



Miguel Valdes
Mechanical Unit


James Beck
Mechanical Unit



Rodger Stephens
Administrative Services Unit



Date


ON BEHALF OF GCT:


Steven P. Brown
General Manager


Steve Rosenberg
Director of Finance & Administration


Andrew Mikkelsen
Director of Transit Operations


Robert Lurie
Director of Fleet and Facilities


Alex Zaretsky
Human Resources and Risk Manager


Date

Gold Coast Transit

Mechanical Unit

July 2, 2014, through October 31, 2017



SEIU Local 721

**2472 Eastman Ave Ste 30
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Questions? Call the Member Connection (877) 721-4YOU

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