

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF KALISPELL
AND
AFSCME MT – COUNCIL 9, AFL-CIO
LOCAL NO. 256**

THIS AGREEMENT is entered into this 16 day of Sept, 2014, by and between the City of Kalispell (hereafter "CITY") and the AFSCME MT – Council 9, AFL-CIO Local No. 256 labor union, (hereafter "AFSCME").

RECITALS

- WHEREAS*, on the 15th day of July, 2014, the CITY and AFSCME entered into a Collective Bargaining Agreement (CBA) for the term of July 1, 2014 to June 30, 2017 which substantially changes the job classification and pay matrix system which had been in place in previous labor agreements; and,
- WHEREAS*, issues involving implementation and administration of the new classification and pay matrix set forth in the above-described CBA requires clarification of how employee pay will be determined in the event of employee promotions and transfers between departments; and,
- WHEREAS*, the Labor-Management Committee which is established under Article XV, Section II(B) of the CBA has met to cooperatively discuss how best to implement and administer the new employee classification and pay system and CDL health physical rules; and,
- WHEREAS*, the parties have made progress on these issues and agree that it is in each party's best interests to implement and memorialize the following procedures to supplement and administer provisions of the current CBA.

NOW THEREFORE, the parties understand and agree as follows:

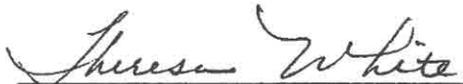
1. Article VI of the CBA is hereby supplemented to include Section VIII, "EMPLOYEE PROMOTIONS OR DEPARTMENTAL TRANSFERS." This section shall provide that when current employees are selected to transfer from a union position with one city department or a division within the department covered by the CBA to a union position with a different city department or a division within the department which is covered by the CBA, a determination must first be made by management of whether the change to the new position from the position previously held involves, (a) a promotion from the previous position (i.e., a higher grade level than the previous employee's previous position); (b) a lateral transfer (i.e., an equivalent grade level from the employee's previous position); or (c) a reduction in the grade level from the previous position. After this determination has been made the following rules shall apply in determining where on the CBA pay matrix the transferring employee will be placed:

- (a) If a promotion is indicated, the employee shall be placed at a wage step for the higher graded position which is at a minimum, five percent (5%) higher than his or her previous wage.
- (b) If the change of position is lateral or if it is a transfer to a reduced grade position than previously held, the newly-transferred employee shall be placed within the lower grade at the same wage step for the employee's new position that he or she previously held.
2. It is understood and agreed that if further clarification of the CBA is needed, the Labor-Management Committee will meet to discuss the issues and to determine any additional language changes necessary to carry out and implement the intent of the CBA.
3. If any section, paragraph, sentence, clause, or phrase of this Agreement is determined or declared to be contrary to or a violation of any State or Federal law, the remaining portions of this Agreement shall not be affected thereby or invalidated in any respect.
4. The parties may continue to meet or negotiate for a new CBA as may be mutually agreed during the term hereof.

CITY OF KALISPELL



Doug Russell, City Manager



Theresa White, City Clerk

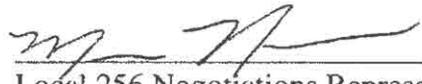
AFSCME COUNCIL 9, AFL-CIO No. 256



Brady Pelc, Local 256 President



Local 256 Negotiations Representative



Local 256 Negotiations Representative



Scott Lyders, Field Representative
AFSCME MT Council 9, AFL-CIO