

**SECOND MEMORANDUM OF UNDERSTANDING**  
**to the**  
**LABOR AGREEMENT between DOUGLAS COUNTY**  
**and the**  
**DOUGLAS COUNTY EMPLOYEES' ASSOCIATION**  
**(July 1, 2015 – June 30, 2017)**

This Second Memorandum of Understanding (“MOU”) modifies Articles 8 and 9 of the Labor Agreement between Douglas County (“Employer”) and the Douglas County Employees’ Association (“Association”) effective July 1, 2015, through June 30, 2017 (the “CBA”). This modification is made pursuant to the ability of the parties to re-open articles Articles 8 and 9 for negotiations pursuant to Article 2(B) of the CBA.

By this MOU, the Association and Employer amend Articles 8 and 9 of CBA as follows:

**ARTICLE 8. SALARIES AND PAY PRACTICES.**

**A. Salaries and Pay for Performance.**

1. A summary of the Douglas County pay ranges is attached as Appendix “A” to this Agreement.
2. The purpose of the Pay for Performance plan is to recognize and reward employees who demonstrate motivation, performance above the standard scope of work, and efficiency, skill and initiative in their work, while also appropriately ranking employees who perform at or below the established level of performance for a particular position.
3. Employees will receive annual performance reviews on their Evaluation Due Date. The range for merit increases will be on a 0-6% scale and any merit increase will be applied to the employee’s base pay on the first day of the pay period in which the anniversary of the date the employee was hired or received a promotion, whichever is later, occurs.
4. The maximum merit increase an employee may receive during the term of this Agreement is 4% (i.e., a merit score equivalent to a 4%, 5% or 6% increase will result in a 4% increase to the employee’s wage).
5. Employees who receive a performance rating of 5% or 6%, and who are at the top of their pay range or would exceed the top of their pay range after receiving the Pay for Performance (merit) increase, will be eligible for a lump sum payment of 0.5% or 1%, respectively, of their base pay (“Top Out Pay”). The lump sum payment and salary

(merit) increase must not exceed the amount the Pay for Performance increase would have provided if the employee were not at the top of the range.

6. No merit increases or Top Out Pay will be awarded or paid after June 30, 2016.

7. Effective the first full pay period in July 2016, all employees covered by this Agreement will receive an increase of 1.5% on their Evaluation Due Date.

8. Any wage adjustments, wage increases, or the award of merit increases will not change the minimum or maximum amount of a job classification's salary range as adopted by the parties and detailed in Appendix "A." Wage adjustments, wage increases, and the award of merit increases may not exceed the top of the employee's salary range.

**C. Working Above Classification.**

1. Except for training purposes, when an employee is temporarily assigned, in writing, to perform the full range of duties of a higher job classification for five (5) or more consecutive work days, the employee shall receive five percent (5%) above the employee's normal base hourly pay for all non-supervisory hours worked in the higher job classification, retroactive to the first day such duties were fully assumed.

2. Except for training purposes, when an employee is temporarily assigned, in writing, to perform the full range of duties of a designated supervisory position for five (5) or more consecutive work days, the employee shall receive 10 percent (10%) above the employee's normal base hourly pay for all supervisory hours worked, retroactive to the first day such duties were fully assumed.

3. When a temporary assignment is made, the employee's supervisor will confirm the dates and length of the temporary assignment to the employee in writing.

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**J. Utility Operator Incentive Pay.** Utility operators with the following certifications will receive additional compensation as follows:

1. If not required for the employee's current position, upon obtaining a Grade II operator certification from the State of Nevada, a utility operator within the Public Works Department will receive a one-time payment of \$300.00.

2. If not required for the employee's current position, upon obtaining a Grade III operator certification from the State of Nevada, a utility operator within the Public Works Department will receive a one-time payment of \$500.00.

**K. "One-Time" Pay.** Effective July 1, 2016, all employees represented by DCEA will receive a one-time bonus of \$513.08 during the next pay period following the adoption of this Second MOU. This amount is calculated as the equivalent of 1% of all DCEA represented employees wages divided by the number of DCEA represented employees resulting in an equal one-time bonus.

## **ARTICLE 9. MEDICAL AND DENTAL INSURANCE**

### **A. Cafeteria Plan.**

1. The County will continue to maintain a cafeteria benefit package. A cafeteria plan recognizes that employees have diverse needs and will allow employees to choose benefits based on their individual needs.
2. The County will provide eligible employees with plan and coverage options for medical, dental, vision and individual life insurance coverage, and a specific dollar amount, which will vary dependent upon whether the employee has individual coverage or dependent coverage.
3. Medical coverage may be waived by employees that can provide acceptable proof of similar coverage through another source. Approval for the waiver of medical coverage will be at the County's sole discretion. The employee will be required to enroll in mandatory dental/vision/life insurance coverage.

### **B. County Contribution Toward Health Benefit Package.**

Offered medical plans will be determined by the County, based upon input from the benefits committee as outlined in Section "C" below. Medical coverage must be purchased unless waived pursuant to A(3) above.

Effective January 1, 2017:

1. The County will pay 100% of the premiums for Medical, Dental, Vision, and Life insurance for employee-only coverage on at least one of the plans being offered.
2. The County will contribute \$573.78 per month towards medical, dental, and life insurance premiums for employee-only coverage on any employee-selected plan subject to paragraph B(1).
3. The County will contribute \$755.74 per month towards medical, dental, and life insurance premiums for employee plus spouse coverage on any employee-selected plan.
4. The County will contribute \$680.17 per month towards medical, dental, and life insurance premiums for any employee plus 1 child coverage on any employee-selected plan.
5. The County will contribute \$699.06 per month towards medical, dental, and life insurance premiums for employee plus 2 or more children coverage on any employee-selected plan.
6. The County will contribute \$982.46 per month towards medical, dental, and life insurance premiums for employee plus family coverage on any employee-selected plan.
7. Premium contributions which exceed the premium total cost will be contributed to the employee's Health Savings Account by the County.

### **C. County Benefits Committee**

Two representatives from DCEA will serve as members of the County Benefits

Committee until such time as the Benefits Committee adopts bylaws establishing the composition and voting rights of the Benefits Committee.

**D. Monthly Contribution in Lieu of Medical Package**

Any employee who obtains a waiver of medical coverage pursuant to A(3) above will receive a monthly contribution of \$350 from the County to purchase mandatory dental, vision, and basic life insurance coverage.

**FOR DOUGLAS COUNTY**

**FOR THE ASSOCIATION**

\_\_\_\_\_  
Doug N. Johnson, Chairman  
Board of Douglas County Commissioners

\_\_\_\_\_  
Tanya Scott, President  
Douglas County Employees' Association

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Kathy Lewis, County Clerk