

**ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF MEETING  
OF THE MAYOR AND CITY COUNCIL OF  
THE CITY OF DAVID CITY, NEBRASKA**

The undersigned members of the governing body of the City of David City, Nebraska, hereby acknowledge receipt of advance notice of a special meeting of said body and the agenda for such meeting to be immediately following the Committee of the Whole meeting which begins at **6:30 p.m.** on the **28<sup>th</sup> day of May, 2014**, in the meeting room of the City Office, 557 N 4<sup>th</sup> Street, David City, Nebraska.

This agenda is available for public inspection in the office of the City Clerk and may be modified up to twenty-four hours prior to the opening of the meeting.

Dated this 15<sup>th</sup> day of May, 2014.

**AGENDA AS FOLLOWS:**

1. Roll Call;
2. Pledge of Allegiance;
3. Inform the Public about the location of the Open Meetings Act;
4. Consideration of entering into an exclusive contingent development agreement with Bluestem Energy Solutions using wind as a fuel source;
5. Consideration of Resolution No. 7-2014 to be known as the David City, Nebraska, Personnel Manual;
6. Consideration of Resolution No. 10-2014 to allow Jason Chmelka, 1495 5<sup>th</sup> Street to divide Lot 4 and combine the north 25' of Lot 4 to Lot 1 to form one 75' x 140' lot, all in David City Land & Lot Company Addition, Block 7;
7. Consideration of Resolution No. 11-2014 to allow Don & Nancy Theewen to combine the South 25' of Lot 4 to Lot 5 to form one 75' x 140' Lot, all in David City Land & Lot Company Addition, Block 7;
8. Consideration of creating a Utility Superintendent position, job description and requirements;
9. Consideration of going into executive session to discuss a personnel issue;
10. Adjourn.

**CITY COUNCIL PROCEEDINGS**

May 28, 2014

The City Council of the City of David City, Nebraska, met in open public session in the meeting room of the City Office, 557 N 4<sup>th</sup> Street, David City, Nebraska. The Public had been advised of the meeting by publication of notice in The Banner Press on May 22<sup>nd</sup>, and an affidavit of the publisher is on file in the office of the City Clerk. The Mayor and members of the

City Council acknowledged advance notice of the meeting by signing the Agenda which is a part of these minutes. The advance notice to the Public, Mayor, and Council members conveyed the availability of the agenda, which was kept continuously current in the office of the City Clerk and was available for public inspection during regular office hours. No new items were added to the agenda during the twenty-four hours immediately prior to the opening of the Council meeting.

Present for the meeting were: Mayor Alan Zavodny, Council members Gary Kroesing, Mike Rogers, Bill Scribner, Gary Smith, Ruddy Svoboda, and John Vandenberg, City Administrator Abbie Cornett, and City Clerk-Treasurer Joan E. Kovar.

Also present for the meeting were: Adam Herink, Vice President of Bluestem Energy Solutions, Attorney David C. Levy with Baird Holm, Electric Plant Supervisor Eric Betzen, Water/Sewer Supervisor Gary Janicek, Mike Jones, Janis Cameron, Larry Sabata, and Larry Peirce of the Banner Press.

The meeting opened with the Pledge of Allegiance.

Mayor Zavodny informed the public of the "Open Meetings Act" posted on the east wall of the meeting room.

Mayor Zavodny stated: "When we met the last time, to consider entering into an Exclusive Contingent Development Agreement with Bluestem Energy Solutions, we had a very good discussion. The feeling was we wanted to see some changes in the agreement. I believe you did do that in good faith and we appreciate that."

Council member Rogers asked: "I would like to know if we have any projected costs by entering into this agreement?"

Adam Herink, Vice President of Bluestem Energy Solutions stated: "No. Actually what we took out, you're in control. We took out the language that said "if we can't come to a final agreement that you'll be subject to any of the costs." It's just gone. The only instance would be if you sign this, and sometime during the term you would just say "alright, we don't want to do this anymore".

Mayor Zavodny stated: "If we pull the plug on you for a great reason or no reason, that would trigger you being able to re-coup your costs up to \$25,000, and before we enter any final agreement we would have everything spelled out. This is similar to a memo of understanding. We're going forward and saying you're going to try to find a piece of ground to buy, you're going to research and see what your material costs are going to be to put this up, and study the wind."

Attorney David C. Levy with Baird Holm stated: "I see this as a very low risk decision for the City of David City. Now the next decision, when we come back with a final price, now that's the commitment."

**EXCLUSIVE CONTINGENT DEVELOPMENT AGREEMENT  
CITY OF DAVID CITY**

This Exclusive Contingent Development Agreement ("**Agreement**") is entered into as of ~~April~~ May \_\_, 2014, by and between Bluestem Energy Solutions, LLC, a Nebraska limited liability company ("**Developer**"), and the City of David City, Nebraska, a Nebraska municipal corporation ("**Purchaser**").

**RECITALS**

- A. Developer is an experienced developer, owner and operator of renewable energy generating facilities, including those using wind as a fuel source.
- B. Purchaser is a Nebraska electric provider that purchases energy at wholesale from one or more suppliers of energy. Purchaser's governing body has adopted a resolution of intent to purchase energy from renewable sources as a benefit to Purchaser's residents and businesses.
- C. Purchaser desires to supplement or replace a portion of its current wholesale energy purchase and to contract with Developer for Developer to engage in pre-development and development activities, and to enter into a binding, long-term power purchase agreement ("**PPA**") with Developer under which Developer would sell and Purchaser would buy electrical output of a wind energy generation facility at an economically reasonable price based on current energy costs, internal savings, portfolio diversification, non-monetary benefits, and market conditions (the "**Project**").
- D. The Development Period (as defined below), and Developer's activities therein are, in part, intended to assist Developer and Purchaser in determining an appropriate PPA price.

**AGREEMENT**

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which Developer and Purchaser accept and acknowledge, Developer and Purchaser agree as follows:

1. **Exclusivity and Term.** Unless this Agreement is terminated, as provided for herein, for a period of three (3) years from the date first written above (the "**Development Period**"), Purchaser shall not engage, work with, contract, procure services from or otherwise do business with a developer of renewable energy generation facilities other than Developer. Purchaser and Developer may extend the Development Period by written agreement executed by Purchaser and Developer.
2. **Development Obligation.** During the Development Period, at its sole cost and expense, Developer shall diligently undertake all necessary actions to investigate and facilitate the potential development of the Project in a manner intended to lead to Developer offering to sell the energy the Project produces to Purchaser, and Purchaser agreeing to purchase such energy via a mutual, binding PPA (the "**Development Activities**"). The Development Activities may include, but shall not be limited to, those activities set forth in Exhibit A. Developer anticipates

the Development Activities will not exceed twenty-five thousand and 00/100 dollars (\$25,000) in cost ("Cost Cap").

3. **Power Purchase Agreement.** Prior to the expiration of the Development Period, Developer and Purchaser shall meet and confer as necessary to negotiate in good faith a PPA. Developer and Purchaser represent and warrant that by entering into this Agreement, they desire in good faith that it result in the execution of a PPA between Developer and Purchaser for the Project. If Purchaser rejects Developer's proposed PPA prices and terms that reflect comparable prices and terms at the time of negotiation, Purchaser shall be, this Agreement shall remain in full force and effect until the expiration of the Term, subject to the Early Termination provisions Paragraph 5, below. If Purchaser and Developer execute a PPA for the Project, this Agreement shall terminate.

4. **Expiration and Termination.** If Developer and Purchaser have negotiated in good faith but are unable to agree on and execute a PPA prior to by the end of the Development Period, Purchaser shall reimburse Developer for Developer's out-of-pocket expenditures on the Project during the Development Period (the "Purchaser Termination Payment") this Agreement shall terminate, and the Parties shall have no further obligation to one another.

5. **Early Termination.** If at any time prior to the expiration of the Development Period Purchaser desires to terminate this Agreement ("**Early Termination**"), Purchaser may do so, provided, however, that Purchaser must first pay the Purchaser Termination Payment Developer's out-of-pocket expenditures on the Project during the Development Period, not to exceed the Cost Cap (the "Developer Expenses") plus an additional amount equal to fifty percent (50%) of the Purchaser Termination Payment (Developer Expenses (collectively, the "Early Termination Payment").

6. **Release and Transfer of Assets.** Upon receiving the Purchaser Termination Payment or the Early Termination Payment, as applicable, Developer and Purchaser shall execute a written release from this Agreement (the "**Release**"), this Agreement shall terminate, and Developer and Purchaser shall have no further rights or obligations to one another as to the Project. The Release shall include all necessary documents, including but not limited to, bill(s) of sale, assignment(s), release(s) and deed(s), to transfer all of Developer's right, title and interest in and to the Project to Purchaser. The Release shall provide that Purchaser may not execute a PPA with any party other than Developer for a project similar to the Project for twetwenty-four (224) yearsmonths after the date of the Release. The preceding sentence shall survive termination of this Agreement.

7. **Purchaser Warranties.**

a. Purchaser represents and warrants that Purchaser has taken all required actions and given all required notices and has requisite authority to enter into and bind itself to all of its obligations under this Agreement.

b. Purchaser represents and warrants that in entering into and binding itself to all of its obligations under this Agreement, Purchaser is not placing itself in breach or default of any agreement, contract, warrant or other binding legal obligation(s).

c. Purchaser represents and warrants that the individual executing this Agreement on its behalf is duly authorized to, and capable of, binding Purchaser to all of its obligations under this Agreement.

d. Purchaser represents and warrants that it will cooperate with Developer as necessary to assist Developer in carrying out its obligations under this Agreement, including, but not limited to, executing documents, attending meetings, and taking other actions to ensure the Project can occur within the existing framework of Purchaser's existing wholesale energy purchase contracts and arrangements.

8. **Confidentiality.** "**Confidential Information**" shall mean any information relating to, or contained or disclosed within, any contract, technical report, specification, meeting, or communication regarding the Project. Purchaser and Developer agree to maintain the confidentiality of any Confidential Information that becomes known to Purchaser or Developer during the course of this Agreement, including during and following the development and construction of the Project, provided, however, that Developer may disclose Confidential Information to third parties as necessary to carry out its obligations under this Agreement, and Purchaser may disclose Confidential Information as the Nebraska Public Records Law (Neb. Rev. Stats. §§ 84-712 – 84-712.09), may require, subject to obtaining confidentiality agreements from such third parties where possible.

9. **Construction and Enforcement.** This Agreement shall be construed and enforced pursuant to Nebraska law. This Agreement shall be construed as if drafted by both parties.

10. **Invalidity.** If any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

11. **No Other Agreement.** This Agreement constitutes the sole and only agreement between Purchaser and Developer with respect to the Project and supersedes any prior understandings or written or oral agreements between Purchaser and Developer respecting the within subject matter and cannot be changed except by their written consent. Purchaser and Developer enter into this agreement at their own risk, and neither party shall have any obligation or liability to the other party except as expressly set forth in this Agreement.

12. **Time of the Essence.** Time is of the essence regarding the parties performance under this Agreement.

13. **Compliance with Laws.** Purchaser and Developer is solely responsible for its compliance with applicable laws, rules, and regulations regarding procurement, contracting, and execution of its obligations under this Agreement.

14. **No Partnership.** Nothing herein shall be construed to create a general partnership or authorize Purchaser or Developer to act as agent for the other.

15. **Assignment.** Any assignment of this Agreement by Purchaser or Developer to a non-affiliated entity may only occur with the written consent of the non-assigning party and any such assignment made without said consent shall be void and of no legal effect, provided, however, that Developer may assign some or all of its rights and obligations under this Agreement to its affiliated entities without Purchaser's consent.

16. **Notices.** Notices pursuant to this Agreement shall be given to Purchaser at City of David City, Attention City Administrator, 557 North 4th Street, David City, Nebraska, 68632, and to Developer at Bluestem Energy Solutions, LLC, Attn: Mr. Adam Herink, 4361 Lafayette Avenue, Omaha, Nebraska, 68131.

17. **Counterparts.** This Agreement may be executed in counterparts, which when assembled such that the authorized signature of each of Purchaser and Developer is present, shall constitute an original of this Agreement.

Signatures on Following Page

**DEVELOPER**

**Bluestem Energy Solutions, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**PURCHASER**

City of David City, Nebraska

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Attest: \_\_\_\_\_

City Clerk

**EXHIBIT A**  
**DEVELOPMENT ACTIVITIES**

- Environmental assessment
- Wind resource assessment
- Site identification and acquisition (lease or purchase)
- Interconnection studies
- Constructability review
- Engineering review
- Governmental permitting
- Aeronautic analysis
- Equipment procurement
- Distribution systems study
- PPA preparation
- Generator Interconnection Agreement preparation
- Title and survey review
- Financing preparation

Council member Smith made a motion to proceed with the Exclusive Contingent Development Agreement with Bluestem Energy Solutions, LLC, owner and operator of renewable energy generating facilities, including those using wind as a fuel source. Council member Svoboda seconded the motion. Voting AYE: Council members Vandenberg, Scribner, Kroesing, Rogers, Smith, and Svoboda. Voting NAY: None. The motion carried.

The Personnel Manual was discussed.

Councilman Kroesing asked: "Have the employees had a chance to see the proposed changes?"

City Administrator Cornett stated: "The only questions I have gotten from employees was from Kay Schmid at the Library in regards to changes in the language, why we were making it for the part-time employees. I contacted Bob Evnen (of Woods & Aitken LLP) concerning Section 4.07 and he provided an explanation of the revisions."

Bob Evnen of Woods & Aitken had submitted the following:

*This is to provide further explanation of revisions that have been suggested to section 4.07 of the Personnel Manual, which defines eligibility for certain benefits for part-time employees.*

*Using average hours worked to define eligibility has been changed to "hours regularly scheduled to work." The averaging of actual hours requires that a period over which the hours are averaged be identified (average hours over a month? Six months? A year?) but there is no such identification in the policy nor would it be easy to do so. Also, using average hours worked means that there could be great fluctuation in the employee's eligibility for benefits.*

*On the other hand, using regularly scheduled hours provides certainty and can be reviewed and changed at any time. If actual hours worked seem to vary significantly from scheduled hours for an extended period of time, then the employee's regular work schedule can be changed.*

*Calculating benefit accruals pro-rata also is easier using regularly scheduled hours. For example, an employee who is regularly scheduled to work 20 hours per week will accrue benefits at the rate of 50% of a full-time employee's accrual (regardless of actual hours worked). ( $20 / 40 = .50$ ). If the employee's schedule is changed to 30 hours per week, then the employee will accrue benefits at the rate of 75% of a full-time employee ( $30 / 40 = .75$ ).*

Mayor Zavodny stated: "One of my concerns about this is we have a fifteen (15) step pay scale which I think is somewhat crazy in my opinion. Most people anymore have consolidated to: you're brand new, kind of in a training mode; somewhat experienced; and then the experienced after 5 or 6 years. Dragging things out fifteen years, I don't know, and getting little things seems a little overkill so we're tying some of that to that, that is one thing I would add, and then some of the Holidays....."

City Administrator Cornett stated: "For clarification, those are suggestions that you're making that are not in the version that I've handed out."

Mayor Zavodny stated: "And that's why I think there are some things better. That's what I was kind of getting at. We have a big opening with the sexual harassment type issues, and we've got to have that, it's laid out pretty clearly within most organizations. Hostile working

environments and such, so we need to address those kinds of things. Now what was the process on letting all of the employees see it?"

City Administrator Cornett stated: "Copies of the new suggested revisions were given to the Department Heads by Joan before the last Committee of the Whole meeting."

Mayor Zavodny stated: "Do you have any concerns about what you've seen as employees?"

Water/Sewer Supervisor Gary Janicek stated: "A lot of it's just re-wording and stuff, there really wasn't a whole lot of real changes to it; changing wording around."

City Administrator Cornett stated: "Most of it was just to bring us into compliance with Federal and State law, and the sexual harassment policy had to be added for the insurance."

Council member Rogers made a motion to pass and approve Resolution No. 7 – 2014 to be known as the David City, Nebraska, Personnel Manual. Council member Vandenberg seconded the motion. Voting AYE: Council members Scribner, Smith, Svoboda, Kroesing, Vandenberg, and Rogers. Voting NAY: None. The motion carried and Resolution No. 7 – 2014 was passed as approved as follows:

**RESOLUTION NO. 7 - 2014**

A RESOLUTION OF THE CITY OF DAVID CITY, NEBRASKA UPDATING AND CORRECTING THE DAVID CITY PERSONNEL MANUAL, ADDING A SECTION ON THE FAMILY MEDICAL LEAVE ACT, REPEALING ALL POLICIES IN CONFLICT HEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of David City, Nebraska maintains a Personnel Manual to provide clear policies and administration of policies as related to employees and employment conditions; and

WHEREAS, the Personnel Manual was recently reviewed and updated by Bob Evnen of Woods & Aitken LLP, who has suggested updates and inclusions concerning the Family Medical Act, and

WHEREAS, the Personnel Manual is amended from time to time to promote a positive working environment for all employees, to provide for meaningful benefits and to provide clear expectations for employees of the City of David City, Nebraska.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, that the David City Personnel Manual is hereby adopted.

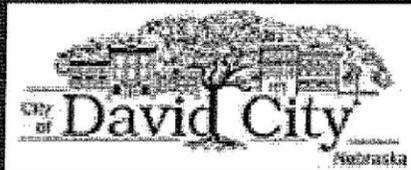
PASSED AND APPROVED this 28<sup>th</sup> day of May, 2014.

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Mayor Alan Zavodny

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City Clerk Joan E. Kovar



Alan Zavodny, Mayor  
Abbie Cornett, City Administrator

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# CHAPTER 1 – GENERAL PROVISIONS

## 1.01 Purpose of the Personnel Policies

These policies are intended to serve the following purposes:

- a) Establish the necessary procedures to assure reasonably uniform and consistent personnel practices.
- b) To inform employees of what is expected of them, and what they can expect, in relation to their employer.
- c) To provide guidelines for Department Heads to manage employees in their department.
- d) To enhance compliance with all federal, state and local laws in relation to employment and working conditions.
- e) To encourage and foster good working relationships between employer and employees.
- f) These policies are provided for informational purposes only and should not be construed as a contract of employment. Since this guide does not represent a contract between the city and the worker; the employer has the right to change the policies in the guide at any time to meet the best interests of the City.

## 1.02 Applicability

These policies apply to all employees of the City of David City, Nebraska.

## 1.03 Authority to Interpret, Apply and Change the Policies

These policies are issued by authority of the City Administrator. The City Administrator has the authority to interpret these policies and determine how these policies shall be applied. The policies may be amended from time to time at the discretion of City Administrator upon notice to employees. Suggestions for amendments in the policies are welcome at any time from any employee. Suggestions should be submitted in writing to the City Administrator.

Copies of the complete Personnel Manual, with the pay plan, are issued to all Department Heads and other supervisors. All employees shall be given a copy of these policies by his department head or by the City Administrator or the City Clerk. Holders of copies of the complete manual are responsible for inserting changes as they are issued and keeping their respective copies of the manuals up to date.

## 1.04 Policy Coverage

These policies relate to matters of personnel management. They do not cover any departmental procedures, standard practices, standing orders or other technical matters. The department heads have authority to make departmental policies not in conflict with these policies, and otherwise to manage the work and operation of their respective departments.

## 1.05 Appointing Authority

Department Heads shall be appointed by the Mayor, as provided by Ordinance, with the recommendation of the City Administrator. Employees subordinate to the Department Heads shall be employed as provided by City Ordinance.

### **1.01 Types of Employment**

Employment of employees to positions under these policies shall be of the following types:

- A. Probationary employment
- B. Regular employment. Upon the satisfactory completion of the probation period, employees are placed on regular status. Regular Employment may fall into one of two categories:
  - I. Full Time
  - II. Part Time
    - a) Part Time Regular employment may be eligible for benefits at the discretion of the Department Head and the approval of the City Administrator and City Council.
- C. Temporary Employment. Employees may be given temporary employment, which status can exist for, and is limited to, no more than one year. Such employees do not receive fringe benefits.

### **1.07 Residency Requirements**

All Departments that may be called back to work for emergency purposes (City Administrator, Water Department, Sewer Department, Electric Department, Power Plant Department and Street Department) are required to reside within a five mile radius of the established city limits of the City of David City.

Employees shall establish residency within six months after the calendar day of the start of employment and will maintain residency during the term of employment.

## **CHAPTER 2 – EQUAL EMPLOYMENT OPPORTUNITY (E.E.O.)**

### **2.01 Equal Employment Opportunity Statement**

It is the general policy of the City not to discriminate upon the basis of race, color, religion, national origin, age, sex, marital status or status as a qualified worker with a disability.

### **2.02 Equal Employment Opportunity Manager**

The City Administrator is designated as the Equal Employment Opportunity Manager for the City, to ensure that the equal employment opportunity policies are carried out. The

City Administrator shall be responsible for the training of all supervisors (including those under appointed authorities) in equal employment opportunity matters.

### **2.03 Continuous Review**

The City Administrator shall maintain a continuous review of the equal employment opportunity program of the City. The City Administrator shall monitor employment, promotions, pay increases, dismissals, and other personnel transactions to seek to assure nondiscriminatory practices. The City Administrator shall publicize the equal employment opportunity policy to employees, employment agencies and other sources of recruitment, vendors and contractors, and the public.

### **2.04 Rejections of Protected Persons**

Upon receipt of a rejection of a minority person or of a female for a non-clerical position, the City Administrator shall investigate the facts of the rejection. The reports of rejections and any reports of investigations shall be retained for three years.

### **2.05 Career Development**

The City Administrator shall conduct a career development program for employees in the City service. The City Administrator shall identify persons, who are qualified for promotion or who may become so qualified through further training, and keep records of their potential for promotion. The City Administrator shall also identify positions into which such persons may be promoted, without regard to departmental lines, and when vacancies arise in positions so identified, shall encourage the appointing authorities to make promotions of qualified employees.

### **2.06 Counseling**

Any employee, who believes that he or she has been discriminated against, may seek counseling from the City Administrator (Equal Employment Opportunity Manager), whether or not he has discussed the matter with his immediate supervisor or has or has not filed a grievance.

### **2.07 Harassment**

We will not tolerate harassment and/or discrimination against our employees by anyone, including management, supervisors, other employees, customers, or suppliers. Harassment on the basis of race, color, age, gender, religion, national origin or disability will not be tolerated. Harassment not only demeans the individual who is subjected to such misconduct, but also creates an unacceptable and unpleasant working environment for everyone resulting in decreased productivity and work effectiveness, decreased morale, and unneeded conflicts within the City. Harassment includes verbal abuse or kidding which shows hostility or demeans an individual or group is considered unacceptable by another employee.

Federal and state law provides that it is an unlawful employment practice for an employer to discriminate against any employee on the basis of sex. Sexual harassment includes, but is not limited to:

1. Unwelcome sexual advances, requests for sexual favors, and other verbal, visual or other physical conduct of a sexual nature where submission to such conduct is made an explicit or implicit term or condition of employment or submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual.
2. Substantially interfering with an individual's work performance or creating a work environment that is intimidating, hostile, or offensive because of unwelcome or unwanted conversations, suggestions, requests, demands, physical contacts or attentions.
3. Engaging in any type of sexually oriented conduct that unreasonably interferes with another's work performance.

If you feel that you are being harassed or discriminated against because of your race, color, age, gender, religion, national origin or disability, report all such incidents to your supervisor, your Department Head or the City Administrator. We will promptly investigate all complaints and prompt, appropriate discipline will be administered, as necessary. You will, at all times, be protected from any form of employee or management retaliation and all information will be kept as confidential as possible consistent with a proper investigation.

## **CHAPTER 3 – CLASSIFICATION AND PAY PLAN**

### **3.01 Establishment of a Pay Plan**

All City positions, whether occupied or vacant, are classified and are allocated pay grades within the pay plan. More than one position may be placed on the same pay grade. The pay plan is reviewed annually, revised as needed and approved by the Mayor and City Council.

### **3.02 Pay Scale/Step Plan**

Each pay grade is divided into fifteen steps. The basis for moving from one step to the next is outlined below.

In order of importance:

- 1) Merit-Acquired knowledge, skills and abilities appropriate for the position held
- 2) Job Performance-based on performance evaluation of the immediate supervisor
- 3) Longevity-number of years of service to the City of David City

### **3.03 Step Pay Plan at Initial Hiring**

- 1) A new employee, who meets the minimum qualifications of a position, will be placed on the Probationary Step. The new employee will be on New Hire Probationary status for six (6) months. Before the end of the sixth month of the Initial Probationary Period, the new employee will be evaluated by their immediate supervisor. If the new employee is recommended by the immediate supervisor to be removed from initial probation, they will be moved to the next step on the pay scale. If the new employee is not recommended to be removed from initial probation, the probation may be extended for up to an additional six months and the employee's pay rate will remain unchanged during the extended probationary period.
- 2) If prospective employee is qualified beyond minimum for a position, that prospective employee, if selected, may be credited with an appropriate number of steps within the pay plan based on merit and will be placed on the corresponding pay step. In no case will a newly hired employee be placed in a step above Step 3 on the pay plan. The new employee will be on New Hire Probationary status for six (6) months. Before the end of the sixth month of the Initial Probationary Period, the new employee will be evaluated by their immediate supervisor. If the new employee is recommended by the immediate supervisor to be removed from initial probation, they will be moved to the next step on the pay scale.

### **3.04 Longevity**

Longevity will be determined by the employee's anniversary date, either most recent date of hire or date the employee was placed in their present department, depending upon the circumstances.

### **3.05 Promotion**

An employee who is promoted to a position in a higher pay grade, will be placed on the Probationary Step for that new pay grade. If the employee's current pay is higher than the Probationary Step in the new pay grade, the employee will be placed on the step which equals that employee's present pay. The City Administrator will have the option of granting a pay increase to a promoted employee by placing that employee on the next higher pay step from the step which corresponds to the employee's present pay. A promoted employee will serve a probationary period but will not receive a pay increase at the end of such probationary period.

### **3.06 Cost of Living Adjustments (COLA)**

Cost of Living Adjustments (COLA's) are an annual adjustment in wages to offset a change (usually a loss) in purchasing power, as measured by the Consumer Price Index.

COLA's are used to assist the employee with increases in personal daily expenditures, and assist the City of David City by attempting to keep wages for positions competitive with other municipalities.

COLA's are a wage adjustment by the City Council at the recommendation of the City Administrator. COLA's are based on the Consumer Price Index, inflation, and most importantly, budgetary and financial considerations of the City. Recommendations for COLA's are reviewed annually during the budget process and final approval of Cost of Living Adjustments remains with the City Council. The entire pay grid will be adjusted when cost of living adjustments are approved by the City Council.

### **3.07 Wage Evaluation Survey**

The City Council may, at its discretion, direct the City Administrator to conduct, or request a wage evaluation survey. This evaluation will examine compensation data from comparable cities and the data will include job market, workforce and other pertinent data. Future pay grid adjustments, except for the cost of living adjustments, may be made based upon data obtained from the survey.

## **CHAPTER 4 – BENEFITS**

### **Overview**

In addition to the wages set forth in the pay plan, employees (except temporary) shall receive the benefits described below, which have significant value.

Regular full-time employees (those working a minimum of 40 hours per week) are eligible for the following benefits:

### **4.01 Medical and Life Insurance**

Employees must be regularly scheduled to work a minimum of 40 hours per week to be eligible for the medical and life insurance benefits

- a) Medical insurance is with Blue Cross Blue Shield of Nebraska. This is a dual coverage plan with allows individual employees to choose either the HSA/MSA high deductible or the standard \$500 deductible PPO. The health insurance coverage runs from June 1<sup>st</sup> through May 31<sup>st</sup>. The HSA runs from January 1<sup>st</sup> through December 31<sup>st</sup>.

For those employees selecting the HSA the City will contribute 75% of the deductible (\$3,000 for family; \$1,500 for individuals) which money will be deposited directly into the employees HSA account.

- b) The employee pays 25% of the monthly premium regardless of which coverage plan they have chosen. The City pays the balance.
- c) Employees whose most recent date of hire is prior to August 1, 1999 may receive a cash payment in lieu of the insurance listed above, upon providing proof of such coverage. The employee may receive \$88.75 per month for family coverage or \$16.90 per month for single.

- d) Eligibility, coverage and plan terms are controlled by the plan documents and various insurance policies.

**[LIFE INSURANCE? DISABILITY INSURANCE?]**

**4.02 Holidays with Pay**

The following are designated as paid holidays by the City of David City.

- |                           |                                |
|---------------------------|--------------------------------|
| 1) New Year's Day         | 7) Columbus Day                |
| 2) Martin Luther King Day | 8) Veteran's Day               |
| 3) Arbor Day              | 9) Thanksgiving Day            |
| 4) Memorial Day           | 10) Day after Thanksgiving Day |
| 5) Independence Day       | 11) Christmas Day              |
| 6) Labor Day              | 12) Individual Selectable Day  |

When a national holiday falls on a Saturday, the preceding Friday shall be recognized as a day off with pay. When a national holiday falls on a Sunday, the following Monday shall be recognized as a day off with pay. All City and Utility Departments close 2 hours early on December 24, and 1 hour early on December 31.

Individual Selectable Days must be used during the year in which they are earned and cannot be carried over to succeeding years.

**4.03 Vacation with Pay**

Employees (working a minimum of 40 hours per week) shall be entitled to vacation with pay according to the following schedule:

<u>Years of Employment</u>	<u>Days' Vacation Allowed</u>
After 1 year	5 days = 40 hours
After 2 through 9 years	10 days = 80 hours
After 10 through 15 years	15 days = 120 hours
After 16 years	16 days = 128 hours
After 17 years	17 days = 136 hours
After 18 years	18 days = 144 hours
After 19 years	19 days = 152 hours
After 20 years +	20 days = 160 hours

Employees may accrue a maximum of 320 hours of vacation time, at which time accrual of vacation time will stop until accrued vacation time falls below 320 hours. Employees are encouraged to take vacation time off for their own benefit. Consistent with the needs of City operations, supervisors will attempt to accommodate employees who have reached the maximum accrual of vacation time.

Each employee, upon retirement, dismissal, or voluntary separation from city employment, shall be paid for unused accumulated vacation leave. Upon the death of an employee, his

or her beneficiary shall be paid for unused accumulated vacation leave subject to and in accordance with the requirements of probate law.

Vacations shall be scheduled by the department head.

Department heads shall schedule their vacation with the City Administrator. Vacation shall be allowed in half-hour increments.

Vacation time shall be requested a minimum of twenty-four (24) hours prior to actual use. Vacation time will be applied to FMLA leaves after the use of sick leave (if applicable).

#### **4.04 Retirement Plan**

The City will match employee contributions in an amount equal to the greater of 6% of regular pay or \$50.00 per month to a regular employee's Deferred Compensation Plan. The City of David City currently has two deferred compensation plans to choose from.

New employees will not be eligible for this benefit until they have been taken off of probationary status. This is a voluntary benefit in which employees may choose not to participate. Employees, who elect not to participate in this benefit, will not receive any type of in-lieu of payment from the City.

The City's Deferred Compensation Plans are provided subject to and in accordance with their respective Plan documents and Summary Plan Descriptions ("SPDs"). To the extent that the terms of the Plan documents or the SPDs vary from or conflict with the description in this Personnel Manual, the Plan documents and SPDs will be controlling.

#### **4.05 Bonuses and Rewards**

The City Council, by resolution duly adopted, may make a lump sum bonus payment to any employee, who has, in the Council's opinion, rendered exceptional service to the City and the community. The purpose is to recognize and reward only unusually meritorious work of the employee.

Department heads and supervisors will be asked to identify, recognize, and reward outstanding performance by employees, including productivity in quality or quantity of work, quantities of leadership, special courtesy and good service to the public.

#### **4.06 Longevity Recognition**

The City of David City is pleased to present gifts with a monetary value to employees in recognition of years of employment and other special occasions as approved by the City Council, as follows:

5 years	\$ 10.00
10 years	\$ 15.00
15 years	\$ 30.00
20 years	\$ 50.00
25 years	\$ 80.00

30 years	\$110.00
35 years	\$140.00
40 years	\$170.00
45 years	\$200.00

**4.07 Regular Part-time Employees are eligible for the following benefits:**

1. Vacation time on a pro-rata basis. ♦
2. Retirement benefits on a pro-rata basis. ♦
3. Employees, who are regularly scheduled to work twenty (20) hours or more per week, are eligible for one-half (1/2) day of holiday pay as per Section 4.03.
4. Employees, who are regularly scheduled to work twenty (20) hours or more per week, are eligible for one-half (1/2) day of sick leave per month, accrued as per Section 7.01.
5. Part-time employees are not eligible for Personal Leave and Funeral Leave.

**4.08 Full-time Employee Discounts permitted:**

- 10% off Auditorium Rentals (including bar charges)
- 10% off Swimming Pool Passes (family, couple, or single)
- 10% off Schweser House Rentals
- Gravel, White Rock, Mud Rock, etc. - allowed to purchase at cost
- Car Batteries - allowed to purchase at cost

## **CHAPTER 5 – HOURS OF WORK AND OVERTIME**

**5.01 Hours of Work**

All Departments, except the d City Office, shall work a 40-hour workweek as the standard workweek unless otherwise provided.

The standard workweek is:

7:30 a.m. to 4:00 p.m. Monday thru Friday from Labor Day to Memorial Day and,  
7:00 a.m. to 3:30 p.m. Monday thru Friday from Memorial Day to Labor Day.

The City Office standard workweek is:

8:00 a.m. to 5:00 p.m. Monday thru Friday from Labor Day to Memorial Day and,  
7:30 a.m. to 4:00 p.m. Monday thru Friday from Memorial Day to Labor Day.

**5.02 Time Sheets**

Timesheets are legal documents upon which pay to an employee is based. They also serve as a verification of time off that has been taken, and the eligibility of employees for

benefits. Employees are required to provide an accurate accounting of all hours worked and leave used during a pay period on a timesheet.

All absences from an employee's regular work schedule must be reported and accounted for. An employee's timesheet accounts for all hours in the pay period and must be verified and approved by the employee's supervisor.

Completed timesheets require the signatures of the employee and the supervisor. These signatures certify that, to the best of their knowledge, the information provided on the documents is true and correct. Any failure to accurately report hours, or the intentional misrepresentation of hours worked, may result in disciplinary action up to and including termination of employment.

### **5.03 Flextime**

Flextime is an alternate 40 hour workweek schedule by which an employee's workweek is determined by the needs of the job and is subject to Department Head or City Administrator approval.

Department Heads shall establish work periods and hours of work, which may differ from the hours of work to meet special department needs, projects or workloads. Special department needs and projects shall include, but not limited to, infrastructure construction, standard workweek snow removal, street painting, recycling, football events, track events, auditorium events, official committee and board meetings of the city, and any other known work that occurs before 7:30 a.m. or after 5:00 p.m. Monday thru Friday or on weekends.

Department Heads are encouraged to use flex-time whenever feasible to minimize overtime or the accumulation of compensatory time.

### **5.04 Overtime & Compensatory Time**

**Overview:** All compensatory/overtime work should be held to a minimum and should be authorized in advance in writing by the appropriate supervisor. Each supervisor is responsible for and expected to use good judgment in determining what constitutes legitimate and necessary compensatory/overtime work.

In unusual situations in which prior approval may not have been practical or possible and the required completion of a specific project, assignment, or official travel results in overtime or compensatory time worked, the appropriate supervisor may verbally approve the unauthorized time based on the circumstances involved, but it should be reported to the City Administrator in a reasonable timeframe.

Due to the specialized nature of work involved, and the hours required, the Police Department is not subject to these general policies. Police Department Policies covering overtime and compensatory time is discussed in Chapter Six (6) of this manual.

**Definitions:**

- A. **Overtime** - is the amount of time someone works beyond normal working hours, i.e.- the standard 40 hour workweek.
- B. **Compensatory Time** - refers to a type of work schedule arrangement that allows (or requires) workers to accumulate leave time and take time off instead of receiving overtime pay.

## **5.05 Nonexempt Employees Overtime & Compensatory Time**

### **Overtime**

According to the Fair Labor Standards Act (FLSA) time worked in excess of forty (40) hours in a work week will be paid at the rate of time and one-half the regular rate of pay.

### **Compensatory Time**

Subject to and in accordance with this policy and Section 7(o) of the Fair Labor Standards Act, compensatory time may be accumulated in lieu of time and half pay for overtime worked at the discretion of the City Administrator. These hours shall be recorded in the payroll system at the time of accrual and use. Hours worked in excess of eight hours in one day may not necessarily be counted as overtime.

When Compensatory time is allowed by the Department Head or City Administrator, an employee may accrue no more than twenty-four (24) hours of compensatory time at any given time. Any exceptions to this provision must be authorized by the City Administrator.

Compensatory time shall be used within the same pay period from when it was earned. If compensatory hours are earned during the last week of the pay period, those hours may be carried over to be used during the next week following the pay period in which they were earned.

Designated holidays, vacation time, individual selectable days, and sick leave time are included as hours of work for the purpose of calculating overtime during the week in which they fall.

## **5.06 Exempt Overtime/Compensatory Time**

All exempt (Salary) employees shall not receive overtime compensation. All exempt employees may use compensatory time off on an hour-for-hour basis for hours worked in excess of 40 hours per week. Employees may accrue no more than twenty-four (24) hours of compensatory time. Compensatory time must be taken if at all in the same or the immediately following pay period in which it is accrued.

## **5.07 Work on Holidays**

If an employee is required to work on a holiday, he/she shall receive eight hours of work credited to the total work week hours plus the number of hours actually worked on the holiday to be credited to the total week hours. All hours of said hours shall be included in time worked in calculating overtime for the week.

#### **5.08 Call Out Time**

If after an employee has left his/her place of work and he/she is called back for duty, he/she shall be paid for at least one hour of work, which shall be included in time worked in calculating overtime for that week. For purposes of calculating Call-Out Time, hours worked shall include one hour plus actual time worked after one hour.

#### **5.09 On Call Time**

An employee, who carried a pager for a week, will be credited with two hours of compensatory time if the hours worked for that week total less than forty (40) hours. If the hours total forty (40) or more, a maximum of three hours will be credited toward compensatory time. Overtime pay is not permitted in place of compensatory time off. While an employee is On-Call Time, he/she shall be in a place and situation that allows for a response to any situation or need within thirty (30) minutes.

#### **5.10 Standby Time**

City Power Plant employees, who are not On-Call, will be credited with two hours of compensatory time during such times as Nebraska Public Power District mandates the David City Power Plant standby for possible electric energy production. An employee who is On-Call shall not receive any compensation for Standby Time. While an employee is on Standby Time, he/she shall be in a place and situation that allows for a response to any situation or need within thirty (30) minutes.

#### **5.11 Breaks**

A paid fifteen (15) minute break shall be allowed for each four (4) hours of work. If work conditions are such that travel, cleanup, etc., plus the break require more than fifteen (15) minutes, the break shall be taken on the site.

## **CHAPTER 6 – RESERVED**

## **CHAPTER 7 – LEAVE**

The City of David City leave policies adhere to the provisions of 29 U.S.C. 2601, commonly known as the Family Medical Leave Act of 1993. FMLA leaves are calculated on a rolling twelve-month look-back. FMLA leaves will run concurrently with all other leaves provided in this Personnel Manual which qualify as FMLA leaves.

#### **7.01 Sick Leave**

Sick leave with pay is a privilege granted to employees by the City for the convenience of the employee when he/she is sick or is needed to care for immediate family who is ill. Sick leave is not an earned benefit and shall only be granted to employees who are ill and unable to work. Each full-time employee is credited with one working day of sick leave

each month and is charged with sick leave actually taken. No employee may accrue more than one hundred twenty (120) days of sick leave.

The employee shall notify the department head or supervisor of his/her illness before the time that he/she is due to report for work on the first day of illness. If he/she is physically incapable of giving notice in this manner, notice shall be given as soon as possible.

The department head or City Administrator may require the employee to present a medical certificate as to the fact of illness or as to the ability of the employee to perform his/her work upon returning from sick leave.

\* **SICKNESS - SELF**: An employee may use sick leave when that employee is ill and unable to perform his/her work or has an appointment with a doctor.

\* **SICKNESS - FAMILY**: An employee may use sick leave when an immediate family member (spouse, child, father, mother, father-in-law and mother-in-law) is ill or is hospitalized and needs the employee's care, or, requires the employee to take that family member for a doctor's appointment.

If a supervisor suspects that an employee is abusing sick leave, they will notify the City Administrator, who will investigate the suspected employee's timesheets for patterns that indicate sick leave abuse. These may include:

- a) Use of sick leave in conjunction with Holidays, weekends, or scheduled vacation leave usage;
- b) Regularly occurring rather than occasional use of sick leave;
- c) Use of sick leave during scheduled work projects.

Any employee that is suspected of sick leave abuse may have their sick leave usage monitored for a period of six months and counseled concerning the matter.

Submitting a false sick leave claim is cause for disciplinary action.

Sick leave may not be converted into vacation leave or used in lieu of vacation leave.

## **7.02 Public Service Leave**

An employee may take leave to serve as a member of a jury, upon being called as a witness in any court proceeding; or, to enter military training for not more than three weeks in any one year. During the period of public service leave, the employee shall receive his/her regular pay less any amount received by him/her for performing such public service, provided, however, that no deduction shall be made for amounts earned of less than \$10.00 (R.R.S. 55-160).

An employee whose public service duty is completed before the end of his/her normal working day with the employee shall return to his/her City primary worksite.

### **7.03 Military Leave**

Military leave shall be governed by Neb. Rev. Stat. Sections 55-160 through 55-166 (Reissue 2004) or as amended by the Legislature, and by the Uniformed Services Employment and Reemployment Rights Act.

### **7.04 Funeral Leave**

Primary: Paid leave will be granted, not to exceed five (5) consecutive days per event, to employees to attend the funeral services of close family members, i.e., spouse, child, mother, father, mother-in-law, father-in-law, brother, sister,.

Secondary: Paid leave will be granted, not to exceed two (2) consecutive days per event, to employees to attend the funeral services or secondary family members, i.e., grandparents, grandparents-in-law, grandchildren, brother-in-law, sister-in-law, niece or nephew, aunts, uncles and first cousins.

Only full-time employees (those working 40 hrs. per week) are eligible for Funeral Leave.

### **7.05 Personal Leave Without Pay**

A personal leave of absence under this policy is an approved absence without pay. Personal leaves of absence must be requested in writing and will be granted only for special reasons. Only regular full time employees who are not otherwise eligible for FMLA leave for any reason are eligible for a personal leave of absence. Time off without pay and leave of absence for medical or personal reasons will be considered on the basis of the City requirements and hardships caused thereby, the employee's performance record, the reason for the request, and the employee's length of service with the City. The determination of whether the request shall be granted rests solely within the discretion of the employee's Department Head and the City Administrator.

A leave of absence under this policy may be granted for personal reasons without pay for a period not to exceed thirty (30) days. All vacation time must first be exhausted before a leave of absence under this policy will be considered.

A leave of absence without compensation under this policy also may be granted for illness, injury or pregnancy disability for a period not to exceed thirty (30) days. All vacation and sick leave must first be exhausted before a leave for these purposes will be considered. At the option of the City, an employee may be required to present a certificate from the employer's physician and/or a physician of his/her own choosing as to the fact of the illness, injury or pregnancy disability. The employee must present a full medical release signed by his or her physician before being reinstated for work.

The length of absence may be extended at the discretion of the City upon further application in writing by the employee prior to the expiration of the initial period. In no event will leaves be granted for a period in excess of sixty days. If your leave of absence is in excess of thirty (30) days, your return is subject to job availability. If your position is not available at the end of your leave, the City will make a reasonable effort to return you to a substantially similar position.

It will be the responsibility of the employee who has been granted a leave of absence in excess of thirty (30) days to pay monthly premiums for any continued group insurance coverage. In the absence of such payment, coverage will be terminated; however, you will be given an opportunity to convert the policy for your individual coverage. Failure to return to work on the date scheduled by the City will result in discharge from employment.

All leaves of absence will be granted subject to and in accordance with the provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA), if applicable.

## **7.06 Personal Leave**

Personal leave is included within accrued sick leave and will be granted to regular full time employees according to their years of employment as follows:

0 years to	4 years	- 2 days per year
5 years to	9 years	- 3 days per year
10 years to	14 years	- 4 days per year
15 years to	19 years	- 5 days per year
20 years to	24 years	- 6 days per year
25 years to	29 years	- 7 days per year
30 years to	34 years	- 8 days per year
35 years to	39 years	- 9 days per year
40 years plus		- 10 days per year

Personal leave is deducted from accrued sick leave and may be used by the employee for any reason. If an employee does not have accrued sick leave then the employee shall not be granted personal leave. Personal leave shall be considered a privilege to reward employees for their attendance.

Only full-time employees (those working 40 hrs. per week) are eligible for Personal Leave.

## **7.07 Catastrophic Leave Donation Program**

### **Purpose**

The City of David City recognizes that there are instances in which an employee may suffer from a catastrophic illness or non-work-related injury requiring extensive medical treatment, rehabilitation, and ultimately the exhaustion of the employee's City-provided paid leaves.

The City of David City also recognizes that when these instances occur, co-workers of the employee experiencing a catastrophic illness or non-work-related injury desire to assist the employee until the employee recovers from the illness and can return to work.

This policy is intended to establish guidelines for employees of the City of David City to donate accrued vacation time and personal leave to another employee suffering from a

catastrophic illness or non-work-related injury to be used as paid sick leave by the employee with the catastrophic illness or non-work-related injury.

### **Employees Covered**

All employees who earn sick leave and have been employed a minimum of twelve consecutive months shall be eligible to participate in the Catastrophic Leave Donation Program.

### **Recipient Employee Eligibility**

To be eligible to receive leave donated pursuant to this policy, an employee must meet the following conditions:

1. The employee must be suffering from a catastrophic illness or non-work related injury which has resulted in the exhaustion of all of the requesting employee's paid leave and which extends for at least one week after the exhaustion of such leave.
2. Generally, illnesses which qualify as "serious health conditions" pursuant to the Family Medical Leave Act would be considered as eligible for catastrophic illness leave donation. The illness must be that of the employee personally, not an illness of the employee's child, spouse, or other family member, to be eligible for leave donation.
3. The employee must produce competent medical verification of the illness or non-work related injury satisfactory to the City of David City.
4. The employee must have a minimum of one year of service with the City of David City.
5. The employee must have exhausted all paid leave, including but not limited to sick leave, vacation, and personal holidays.
6. The employee must not have offered anything of value to another employee in exchange for the leave donation.
7. No more than 1,040 hours per 12 month period from date of catastrophic leave approval may be received by the employee.
8. The employee must complete the Catastrophic Illness Donation Request Form (Attachment A) and submit the form to the employee's department head, and the City Administrator, who will certify that the employee is eligible to participate in the leave donation program.

### **Donor Employee Eligibility**

1. The employee must have an accrued vacation leave balance of at least forty hours subsequent to making a leave donation.
2. The employee must donate Individual Selectable Holidays in only eight-hour increments. Vacation may be donated in four-hour or eight-hour increments.
3. The employee must not have solicited nor accepted anything of value in exchange for the donation.
4. The employee must complete and have witnessed the Catastrophic Illness Donation Form.

### **How to Apply For or Donate Leave**

1. An employee who qualifies for catastrophic illness leave shall complete the Catastrophic Illness Donation Request Form (see Attachment A) and submit it to the

- department head who shall, in conjunction with the Personnel Director, review it for approval or denial.
2. Upon approval, donor employees shall complete the Catastrophic Illness Donation Form (see Attachment B) indicating a willingness to donate vacation or Personal Leave time and the amount of said time to be donated. This form shall also be signed by a witness to the donor's signature. The completed form should then be forwarded to the payroll person in the department of the ill employee.
  3. Employees donating their time are doing so strictly on a voluntary basis and will have their vacation or Personal leave balances irrevocably debited for the amount of time transferred to the recipient employee. The transferred time will be placed in the recipient employee's sick leave account.
  4. The City of David City Payroll Department will monitor hours donated. The time donated will be on an "hour-for-hour" basis to the recipient employee.

Vacation hours transferred are done so in four-hour or eight-hour increments. Personal Leave hours transferred are done so in eight-hour increments.

## EMPLOYEE RIGHTS AND RESPONSIBILITIES UNDER THE FAMILY AND MEDICAL LEAVE ACT

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### Basic Leave Entitlement

FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:

- for incapacity due to pregnancy, prenatal medical care or child birth;
- to care for the employee's child after birth, or placement for adoption or foster care;
- to care for the employee's spouse, son, daughter or parent, who has a serious health condition; or
- for a serious health condition that makes the employee unable to perform the employee's job.

### Military Family Leave Entitlements

Eligible employees whose spouse, son, daughter or parent is on covered active duty or call to covered active duty status may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered servicemember is: (1) a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness\*; or (2) a veteran who was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.\*

**\*The FMLA definitions of "serious injury or illness" for current servicemembers and veterans are distinct from the FMLA definition of "serious health condition".**

### Benefits and Protections

During FMLA leave, the employer must maintain the employee's health coverage under any "group health plan" on the same terms as if the employee had continued to work. Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

### Eligibility Requirements

Employees are eligible if they have worked for a covered employer for at least 12 months, have 1,250 hours of service in the previous 12 months\*, and if at least 50 employees are employed by the employer within 75 miles.

**\*Special hours of service eligibility requirements apply to airline flight crew employees.**

### Definition of Serious Health Condition

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and

a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

### Use of Leave

An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the employer's operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

### Substitution of Paid Leave for Unpaid Leave

Employees may choose or employers may require use of accrued paid leave while taking FMLA leave. In order to use paid leave for FMLA leave, employees must comply with the employer's normal paid leave policies.

### Employee Responsibilities

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days notice is not possible, the employee must provide notice as soon as practicable and generally must comply with an employer's normal call-in procedures.

Employees must provide sufficient information for the employer to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees also must inform the employer if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave.

### Employer Responsibilities

Covered employers must inform employees requesting leave whether they are eligible under FMLA. If they are, the notice must specify any additional information required as well as the employees' rights and responsibilities. If they are not eligible, the employer must provide a reason for the ineligibility.

Covered employers must inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employee's leave entitlement. If the employer determines that the leave is not FMLA-protected, the employer must notify the employee.

### Unlawful Acts by Employers

FMLA makes it unlawful for any employer to:

- interfere with, restrain, or deny the exercise of any right provided under FMLA; and
- discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

### Enforcement

An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer.

FMLA does not affect any Federal or State law prohibiting discrimination, or supersede any State or local law or collective bargaining agreement which provides greater family or medical leave rights.

## **CHAPTER 8 – EMPLOYEE DISCIPLINE, RULES OF CONDUCT AND EMPLOYEE GREIVANCES**

### **Overview**

The City of David City subscribes to the philosophy of progressive discipline in managing the behavior and job performance of its employees. Progressive discipline is a process for dealing with job-related behavior that does not meet expected and communicated performance standards. The primary purpose for progressive discipline is to assist the employee to understand that a performance problem or opportunity for improvement exists.

The process features increasingly formal efforts to provide feedback to the employee so he or she can correct the problem. The goal of progressive discipline is to improve employee performance.

The process of progressive discipline is not intended as a punishment for an employee, but to provide the employee an opportunity to correct performance problems and to satisfy job expectations.

### **8.01 Disciplinary Actions**

The following types of disciplinary issues and levels of disciplinary actions are appropriate for all employees of the City of David City and are described in a progressive manner. However, the nature and severity of the violation will dictate the level of discipline imposed. More severe levels of disciplinary action may be imposed when a lesser action is deemed by management to be inadequate or has not achieved the desired results. Management shall also consider the type and frequency of previous offenses, the period of time elapsed since a prior offenses and consideration of extenuating circumstances.

One or a combination of, any of the following disciplinary actions may be imposed. If one or more of the prescribed disciplinary actions are imposed, it shall be in writing on a single document and imposed at the same time. All disciplinary actions, formal and informal, are conducted in private, but may be conducted with a witness.

The Department Head and the City Administrator must be present for all disciplinary actions other than a verbal or written reprimand.

Records of disciplinary actions do not expire will be maintained in the employee's personnel file.

- 8.02 Verbal Reprimand:** The minimum disciplinary action is the verbal reprimand which is an articulation of the problem by the supervisor to the employee, who should inform the employee that the employee is receiving a reprimand. This serves as a warning and may be repeated for minor infractions before a supervisor applies stronger action.

The City Administrator, Department Head or appropriate supervisor may administer a verbal reprimand to correct a problem area. A written record of the reprimands will be made and such will be made a part of the employee's personnel files. Such records should include time, date, a brief description of the problem and direction given to the employee.

- 8.03 Written Reprimand:** The written warning is a formal account of improper behavior and a counseling statement must be filed in the employee's permanent personnel record. This documentation must be reinforced by a discussion of the problem with the employee. The employee should be afforded an opportunity to provide a written explanation on the warning notice. Receipt of the warning notice should be acknowledged by the signature of the employee. In the event that the employee refuses to sign, the management official delivering the notice to the employee should note the employee's refusal on the warning notice. Further acts of the same or unrelated improper behavior may result in an interview with the City Administrator and the Department head and second written warning being placed in the employee's file; a third occurrence is grounds for dismissal.

The City Administrator, Department Head or supervisor may submit a written reprimand to the employee when an oral warning has not resulted in the expected improvement, or when more severe action is warranted. The City Administrator shall file a copy of the reprimand in the employee's personnel file. Written reprimands should contain the specific time, date, place of offense and a statement of corrective action to be taken by the employee. Copies shall be placed in the employee's personnel file.

- 8.04 Disciplinary Probation Status:** Disciplinary probation may be imposed at the recommendation of the Department Head and the approval of the City Administrator for a period of up to 6 months and may be extended to a total of one year. This is a designated time period during which the employee must demonstrate immediate, responsive and sustained improvement. Improvement standards and time frames shall be set by the supervisor, and put in writing and a copy given to the employee and placed into the employee's personnel file. An extension of disciplinary probation shall be considered as a separate disciplinary action.

Employees on disciplinary probation shall not be promoted or granted performance-based pay increases within the City of David City step pay plan.

Employees granted leave while serving disciplinary probation may have their probation extended by the number of days absent on leave.

An employee may be removed from disciplinary probation at any time with the approval of the City Administrator if the Department Head believes that there has been immediate, responsive and sustained improvement by the employee.

- 8.05 Suspension:** The City Administrator may, for cause, suspend, with or without pay, an employee of the City of David City for a set period of time. A written statement specifically setting forth reasons for the suspension and duration of the suspension shall be furnished to the employee. Copies shall be placed in the employee's personnel file.

The employee's service date shall be adjusted by the number of calendar days absent during a suspension.

Employees on suspension shall not be granted vacation, sick or holiday leave, nor unused compensatory time off during the suspension period

**8.06 Demotion or Reduction in Salary within a Salary Grade:**

**Demotion:** At the recommendation of a Department Head, the City Administrator may demote an employee to a lower classification and salary grade as a disciplinary action. The employee's duties shall be changed to reflect the new classification. Upon demoting an employee for disciplinary reasons, an agency head shall reduce the employee's salary a minimum of 5% and the salary may not be above the maximum rate of the new salary grade. However, demoted employees' salaries may be reduced no lower than the hiring rate of the new salary grade. (Note: If the employee's reduced salary is at the hiring rate, the employee's salary shall be increased to the minimum permanent rate within six months.)

**Reduction in Salary within Salary Grade:** At the recommendation of the Department Head, the City Administrator may reduce the salary of an employee with their classification and salary grade. The City Administrator may restore employees to their previous salary when, in the City Administrator's judgment, circumstances justify. Employees' salaries may be reduced to no lower than the hiring rate of the salary grade.

**8.07 Dismissal or Discharge:** Discharge is the act of removing an individual from employment from the City of David City. An employee may be discharged at any time, without regard to the preceding steps, if he or she commits an offense for which immediate discharge is specified as a penalty or if, in the City Administrator's and Department Head's judgment, the employee's continued presence would be contrary to the well-being of the City of David City or one or more of its employees.

The employee shall be furnished notice of dismissal in writing, stating the reason for dismissal.

**8.08 Reasons for Imposing Disciplinary Action:**

In addition to other requirements set forth in this Personnel Manual, commission of any of the following may result in discipline up to and including discharge, with or without the application of progressive discipline:

- A. Violation of, or failure to comply with: federal laws; State constitution or statute; Municipal Code; or published rules, policies, regulations, policies, or procedures of the City of David City
- B. Abuse of sick leave
- C. Insubordination, including but not limited to failure or refusal to comply with a lawful order or to accept a proper assignment from an authorized supervisor.
- D. Inefficiency, incompetence, or negligence in the performance of duties.

- E. Unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance or alcoholic beverage in the workplace, or reporting for duty under the influence of alcohol and/or unlawful drugs.
- F. Negligent or improper use of City property, equipment, or funds, or conversion of same to one's own use.
- G. Use of undue influence to gain, or attempt to gain, promotion, leave, or favorable assignment for individual benefit or advantage.
- H. Failure to provide complete and accurate information on the employment application/resume or any other hiring or personnel document;
- I. Unauthorized, improper use or abuse of any type of leave, meal, or rest periods.
- J. Repeated tardiness or unauthorized leave, including unauthorized departure from work area.
- K. Failure to report to work or remain at work during emergency situations, when designated as emergency personnel.
- L. Failure to maintain satisfactory working relationships with the public or other employees.
- M. Failure to obtain and maintain a current license or certification required by law or David City standards as a condition of employment including a State of Nebraska Driver's License.
- N. Conviction of a felony.
- O. Repeated failure to make reasonable provision for payment of personal debts which results in more than one garnishment, except in cases of court ordered child support payments.
- P. Insubordinate acts or language which seriously hampers the City's ability to control, manage, function or conduct business.
- Q. Acts or conduct (on or off the job) which adversely affects the employee's performance and/or the City's performance or function.
- R. Workplace harassment based, in whole or in part, on race, color, sex, religion, age, disability, or national origin, which manifests itself in the form of comments, jokes, printed material, and/or unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature.
- S. Possession of materials and/or the utterance of comments in the workplace that are derogatory towards a group or individual based upon race, gender, color, religion, disability, age, or national origin.

## **8.09 Grievance Procedure and Disciplinary Appeal Process**

### **Overview Statement**

All employees occupying a permanent, non-appointed position have grievance rights and are eligible for the disciplinary appeals process with the following exceptions:

Discretionary appointed employees, temporary employees and employees on original probation, have no grievance rights or Disciplinary Appeals rights within the City of David City under this policy.

Sworn Police Officers have Grievance and Disciplinary Appeals Process rights, under statutes applicable to Cities of the Second Class, in accordance with Nebraska Revised Statutes § 17-107.

### **Grievance Procedure Steps**

**Step 1** An employee, who has a grievance relating to his/her employment, shall first present his grievance to his/her immediate supervisor or Department Head, either orally or in writing. This must take place within five (5) workdays of the grieved occurrence. The supervisor will respond within three (3) workdays and notify the City Administrator of the grievance and the response.

**Step 2** If the employee is not satisfied with the response from the Department Head or supervisor, he/she may appeal in writing to the City Administrator no later than three (3) workdays after receipt by the employee. The employee must state in the appeal the basis upon which the employee is dissatisfied with the supervisor's response. The City Administrator will respond within ten (10) workdays to the employee's concerns.

**Step 3** If the employee is unsatisfied with the response from the City Administrator, no later than three (3) workdays after the employee's receipt of the City Administrator's response, the employee may request through the City Administrator a meeting will be scheduled with the department head, City Administrator, Mayor, and the City Council in a closed session at the next City Council Meeting. The determination of the City Council will be final.

If the grieved issue is an emergency in nature, the Mayor may call an emergency meeting of the City Council to discuss the issue. This will be at the sole discretion of the Mayor.

### **Disciplinary Appeals Process**

The Disciplinary appeals process is only appropriate for the following disciplinary actions:

1. Disciplinary Probation
2. Suspension
3. Demotion
4. Reduction in Salary within Salary Grade
5. Dismissal or Discharge

All disciplinary actions are effective upon issuance to the employee by the Department Head or City Administrator, and will be relayed to the Mayor and City Council for informational purposes.

**Step 1** Disciplinary action taken by the Department Head and City Administrator against an employee may be appealed to the Mayor. This appeal must be submitted in writing to the City Administrator within three (3) workdays of the employee being notified of disciplinary action, as outlined in Section 8.09. This appeal will then be forwarded to the

Mayor who will then respond in writing to the disciplined employee within five (5) workdays after the receipt of the appeal by the Mayor.

**Step 2** If the employee is unsatisfied with the decision of the Mayor, no later than three (3) workdays after the employee receives the Mayor's response, the employee may request through the City Administrator a meeting which will be scheduled with the department head, City Administrator, Mayor, and the City Council in a closed session at the next City Council Meeting.

The Council may, at their discretion, modify, lower or remove the disciplinary action imposed by the City Administrator. The Council's decision will be final.

In order to not inhibit employee's exercise of the option to appeal a disciplinary action, the City Council will endeavor to not impose additional disciplinary sanctions on any employee submitting an appeal of disciplinary action for their review.

### **Discretionary Appointed Employees**

Discretionary Appointed Employees are designated as at-will employees and serve at the discretion of the Mayor as set forth in Nebraska Revised Statutes § 17-107. As such, these employees are not entitled to the above stipulated Grievance Rights or Disciplinary Action Appeal process (Section 8.10) as outlined for the City of David City.

The Discretionary Appointed at-will Employees for the City of David City are:

- City Administrator
- City Clerk/Treasurer
- Deputy City Clerk
- Parks and Auditorium Director
- Wastewater Department Supervisor
- Power Plant Supervisor
- Zoning Administrator
- City Attorney
- City Physician
- Chief Prosecutor
- Chief of Police
- Police Officers
- Street Superintendent
- City Electric Department Supervisor

As stipulated in City of David City Municipal Code, the City Council may, at their discretion, review any termination or removal from service of any appointed official by the Mayor. The Council may uphold, reverse or modify the removal or termination from service. (*David City Municipal Code Chapter 1, Article 2, Section 201*).

The City Administrator will be responsible for the maintenance of all disciplinary action records and will notify the City Council of all disciplinary actions that include: Disciplinary Probation, Suspension, Demotion or Salary Reduction, and Dismissal in a timely manner.

In accordance with State Statute, the City Administrator will assist the Mayor in all discipline activities that involve Discretionary Appointed At-Will employees.

## CHAPTER 9 -ELECTRONIC COMMUNICATIONS SYSTEMS

### Overview

This policy includes the telephone system, electronic mail, voice mail, facsimiles, computers, pagers, cellular telephones, the Internet and the World Wide Web.

- 9.01 Ownership of messages.** The electronic communications systems (ECS) and all information created, sent, received, accessed or stored on them are the property of the City.
- 9.02 Business use.** The ECS are to be used primarily to conduct business of the City. Reasonable personal use of such systems is permitted but must not interfere with an employee's productivity.
- 9.03 No presumption of privacy.** Employees should assume that any communications they create, send, receive or store on the City's ECS may be read or heard by someone other than the intended recipient.
- 9.04 Employer's right to monitor messages.** Management reserves the right to monitor, access, retrieve and read any electronic communications, and if deemed appropriate by management, disclose the same to law enforcement officials or other third parties.
- 9.05 Message restrictions.** Electronic communications may not contain content that is or reasonably appears to be defamatory, offensive, harassing, disruptive or derogatory.
- 9.06 Prohibited activities.** Employees may not upload, download, or otherwise transmit copyrighted, trademarked, or patented material; other confidential, private or proprietary information or materials in violation of any legal constraints; or pornographic material. Employees may not use the City's ECS to gain unauthorized access to remote computers or other systems, or to damage, alter or disrupt such computers or systems in any way. Employees may not, without authorization, use or disclose someone else's code or passwords or disclose their passwords to others.
- 9.07 Record retention.** It is each employee's responsibility to ensure that those electronic messages that must be retained for future reference are in fact saved.
- 9.08 Viruses and tampering.** Files downloaded from the Internet and any computer disks received from non-employer sources must be scanned with virus detection software and approved by City information management personnel before installation and execution. Employees must report any tampering or other system breaches to the City Administrator.
- 9.09 Violations.** Violations of this policy may result in suspension of some or all electronic communication privileges or disciplinary action up to and including termination.

## CHAPTER 10 – DRUG FREE WORKPLACE

### Overview

The City of David City, Nebraska prohibits the manufacture, possession, distribution, sale, or use of controlled substances in the workplace or during working hours by its employees or those who engage or seek to engage in business with the City.

City of David City, Nebraska employees are prohibited from unlawful manufacture, distribution, dispensation, possession or use of alcohol and/or controlled substance in the workplace. Workplace means all property including, but not limited to, the offices, facilities and surrounding areas, parking lots, storage areas, owned or leased vehicles and equipment wherever located, whether owned or leased and whether or not they are in the control of the City. Any employee found violating this policy and/or convicted of violating any criminal drug statute while on the workplace property at any time will be subject to discipline up to and including termination and/or, may be required to successfully complete an approved drug/alcohol abuse program sponsored by a private or governmental institution.

There will be no differentiation between someone who illegally uses drugs and someone who sells or distributes drugs. Any employee who gives, or in any way transfers, a controlled substance to another person or sells or manufactures a controlled substance while on the job, while representing the City of David City, Nebraska in an official capacity or while on the workplace property at any time will be subject to the consequences listed above.

The term "controlled substance" means any drug listed in 21 U.S.C. 812, Neb. Rev. Stat. 28-401 et. seq. and other state or federal statutes or regulations. Generally, these are drugs which have a high potential for abuse. Such drugs include, but are not limited to: heroin, marijuana, cocaine, PCP and crack. They also include "prescription drugs" which have not been prescribed to the employee by a licensed physician.

A City of David City, Nebraska employee will be required to report within five days any criminal drug statute arrest(s) or conviction to his/her immediate supervisor. The supervisor will immediately report such conviction to the City Administrator.

### 10.01 PROCEDURES

- A. All newly hired temporary and permanent employees of City of David City, Nebraska will receive a copy of this policy contained in the Personnel Manual. A signed statement of understanding and acknowledgement receipt for this policy will be maintained in the employee's personnel file. [CONDITIONAL OFFER TESTING?]
- B. All new hires will receive drug abuse awareness information. Information will include:
  1. Review of this drug free work place policy

2. Health and safety dangers associated with drug and alcohol use.
3. Dangers of drug abuse in the workplace
4. Availability of counseling and treatment services and contact information for the City's Employee Assistance Program.

#### **10.02 Reasonable Cause Testing**

- A. City of David City, Nebraska employees may be subject to drug and alcohol testing when there is reasonable suspicion to believe the employee may be using or under the influence of a controlled substance or alcohol while on duty or on the workplace.
- B. Reasonable suspicion exists when the actions or appearances of an employee are out of the ordinary and unusual to the normal behavior patterns of the employee. The conduct relied upon to form reasonable suspicion must be based on specific and articulable observations, including but not limited to, observable signs of intoxication (such as bloodshot or watery eyes, slurred speech, appearance, unsteady body movement or breath odors); a work related accident or near accident which indicates employee fault; decreases in the quality or quantity of employee productivity, judgment, reasoning, concentration, marked changes in behavior, deviations from safe working practices, erratic conduct or credible information received from a reliable person with firsthand knowledge are examples of reasonable cause situations.
- C. Upon determination by City of David City, Nebraska Department Head or the City Administrator that reasonable cause or suspicion exists to believe that an employee may be under the influence of an intoxicating substance while on duty or on work premises, the City Administrator may direct the employee to undergo drug/alcohol testing. City of David City, Nebraska Department Heads and/or the City Administrator shall document the events surrounding this reasonable suspicion.
- D. If an employee is referred for testing all efforts will be made to transport the employee to the nearest testing facility. The employee will be required to provide a blood, breath or urine sample. The sample will be tested qualitatively for at least the following substances:
  - a) THC
  - b) Cocaine
  - c) PCP
  - d) Opiates
  - e) Methamphetamine/amphetamine
  - f) Alcohol
- E. An employee that is required to submit a sample for testing after determination of reasonable suspicion shall be informed verbally and then followed by a written directive, that he/she is being placed on unpaid investigatory suspension, pending the outcome of an investigation.

- F. After the testing is complete the employee shall not be returned to work or allowed to drive home. The City of David City, Nebraska Department Head or the City Administrator will assist the employee in arranging for transportation home after the testing, preferably by a ride through a family member or friend.
- G. An employee who refuses to submit a sample under this policy will be placed immediately on unpaid investigatory suspension and will be subject to disciplinary action. Refusal by an employee to be tested, or confirmation by the lab that a specimen has been adulterated shall be subject to discharge. Employees suspected of being under the influence of drugs/alcohol who refuse to be escorted to be tested shall be given a directive not to drive home. Local law enforcement shall be notified if an employee suspected of being under the influence disregards a directive not to drive home and leaves in their vehicle.
- H. If the investigation determines a negative test for alcohol/drugs, the employee will be reinstated back to work and all leave without pay, during the investigatory suspension, will be paid back to the employee.
- I. Employees who test positive shall be subject to discipline up to and including discharge. Employees who fail to fully cooperate as required will be discharged.

## **CHAPTER 11 – GENERAL POLICIES**

### **11.01 Physical**

Pre-employment physical exams are required of applicants in certain designated classifications who are given a conditional offer of employment. A physical is a prerequisite of a post-offer of a new employee. As per the Americans with Disabilities Act:

### **11.02 Probation Periods**

Every employee, including appointed officials and regular part-time, shall be on probation for their first six months of employment. Such probation periods may, at the discretion of the supervisor or City Administrator, be terminated before the completion of the probation period, but not sooner than three months after employment began.

When the employee first reports for work, he or she shall be notified of the fact that he/she will be on probation for the first six months. During that time, the supervisor or City Administrator shall observe his/her work with particular care; and advise him/her whether he/she is progressing satisfactorily.

Before the close of the probation period, the Department Head or City Administrator shall:

- a) Recommend an increase in pay within the scope of the pay plan;
- b) Extend the probation period not to exceed six months, and, so notify the employee;
- c) Dismiss the employee; or,
- d) Recommend to the Mayor the dismissal of an appointed official.

This will be completed using the City of David City Standard Performance Evaluation Form. (Attachment C)

Probationary employees are entitled to all benefits as set out in these policies except the Individual Retirement Account (IRA), Deferred Compensation Plan and Disability Insurance.

### **11.03 Employee Orientation**

The Department Heads and supervisors will provide orientation training to all new employees. Such orientation training includes the duties of the position, the hours of work, relationships to the other employees, safety precautions, the rights and obligations of an employee, and information about the unit and department. The new employee should be made welcome and be encouraged to ask questions. He/she shall also be given a set of these policies and shall sign a receipt acknowledging that fact.

### **11.04 Employee Evaluations/Performance Reviews**

All employees, including appointed officials, shall be subject to annual performance review to be performed by their immediate supervisor. Additionally, employees placed on Disciplinary Probation, and newly hired employees on Initial Probation status will receive a performance evaluation prior to be removed from probationary status.

The City Administrator will notify the department heads each month of employees who are due for an annual performance evaluations. The City Administrator will request a date for these evaluation to be completed and returned to the City Administrator for review and for adjustments to be made in regards to the employees performance pay plan. Performance evaluations will be completed on the City of David City Standard Performance Evaluation Form (Attachment C).

The mayor and city council will perform the city administrator's performance review with input from the department heads

### **11.05 Employment of Relatives**

Two or more of the same immediate family shall not be employed to supervise each other or to work under the same immediate supervisor. They may, however, be employed in different units of the same department or in different departments. The employment of family members under these circumstances is welcome. (This rule does not apply to the circumstances of relatives who are employees of the effective date of these policies, but will be applied to their circumstances in the event of any future change of their employment or reorganization of departments.)

**Exception:** Swimming Pool Personnel ONLY: Two or more of the same immediate family may work under the same immediate supervisor. As with all employees: Two or more of the same immediate family shall not be employed to supervise each other.

#### **11.06 Change of Status**

All employees shall report changes of address, telephone number, number of dependents, marital status, name, etc., to the City Clerk.

#### **11.07 Other Positions of Paid Employment and Outside Employment**

Full-time employees shall not hold other positions of paid employment or accept pay for services (outside employment) without the prior written approval of their respective Department heads or the City Administrator.

#### **11.08 Pay at Termination**

Employees who are terminated, if they request, may receive their pay no later than five working days following the effective date of termination. Checks will be mailed upon request. Utility bills, owed to the City, must be paid in full before the termination pay will be made.

At the time of separation, an employee shall be paid for his/her vacation leave which has not been used.

#### **11.09 Return of Property**

At the time of separation and prior to receiving the final pay check, an employee shall return all keys, tools, uniforms, or other City property issued to him/her in the course of his/her employment.

#### **11.10 Political Activity**

The City of David City encourages its employees to be part of the democratic process. The following guidelines have been developed for City employees in order to ensure that City employees do not violate federal, state or local laws regarding public employment and political activity.

- 1) Employees shall not engage in political activities during their working hours.
- 2) Employees shall not use City property or resources for political activities.
- 3) No supervisor or other person in authority shall, in any way, require an employee to support a candidate or any political activity.
- 4) Employees who promote any political activity or political candidate as permitted under this policy may not do so in any way that conveys the appearance that the employee speaks on behalf of the City.
- 5) Employees who promote any political activity or political candidate as permitted under this policy may not do so in any way that conveys the appearance that the City supports or does not support a political candidate or cause.

#### **11.11 Private Business Activities**

Employees shall not engage in private business activities during their working hours and shall not use city property or facilities for such activities.

#### **11.12 General Service**

All employees are employees of the City at large, not employees of a department. Although each one may regularly fill a particular position, anyone may expect to assist in other work when asked to do so, provided that the work to be done does not require special knowledge and/or training, the lack of which might endanger the health or safety of the employee or others.

#### **11.13 City Equipment**

Employees may not use the City equipment or tools for their personal benefit or gain except:

- a) With the approval of the Department Head, they may do minor work for themselves in the City's shops when they are not on duty;
- b) When the City Council or the City Administrator approves, City vehicles may be used for personal transportation.

Any damage to City equipment will be reported to the appropriate supervisor or Department Head immediately and an insurance claim will be submitted as appropriate.

#### **11.14 Reimbursement Limits**

The Federal I.R.S. limitations for Nebraska for reimbursement for mileage, lodging and meals when employees are attending schools, seminars, conferences, etc. on behalf of the city are adopted as follows:

- Mileage:** Mileage reimbursement rate for the City of David City will be the same as the mileage reimbursement rate set by the State of Nebraska's Department of Administrative Services, which is increased and decreased as necessary.
- Lodging:** Actual & Reasonable rates.
- Meals:** Not to exceed \$30.00 per day.

#### **11.15 Travel Policy**

Employees are permitted to attend meetings, schools, seminars, and conferences anywhere in the state of Nebraska, and/or within a 300 mile radius. Any other requested travel will be up to the discretion of the City Administrator.

## **11.16 Smoking/Use of Tobacco**

Smoking (i.e. lighted cigar, cigarette, pipe, E-cigarettes etc.) and use of any other tobacco products (i.e. chewing tobacco, snuff, etc.) in any City facilities, vehicles, and equipment is prohibited. This policy applies to all employees, customers, and visitors.

## **11.17 Emergency Situations**

### **Overview**

The following guidelines apply to situations that prevent significant numbers of City employees from reporting for work on time or which require the closure of all or part of City normal activities, including major disasters and other emergency situations, adverse weather conditions, natural disasters, and other incidents causing disruptions of City operations.

These procedures apply to all David City employees. These procedures are based on the principal that the business of the City of David City is vital to serving the community of David City.

The City of David City, as employer, expects that employees report to work or remain at work during emergency situations unless specifically excused by their supervisors.

### **I. Employees Who Are Expected to Work during Dismissal or Closure Situations**

As a general rule, all Department Heads are identified as Emergency Personnel and as such, are required to report to work or remain at work during emergency situations.

Each Department Head has the discretion to identify and designate those employees he or she judges to be necessary to continue vital operations in any given emergency situation.

Emergency employees are expected to report for or remain at work in dismissal or closure situations unless otherwise directed by their Department Head. A Department Head may determine that circumstances justify excusing an emergency employee from duty. A Department Head may grant a reasonable amount of excused absence to an emergency employee who is unable to report for work when he or she has an individual hardship or circumstances unique to the employee. For example, factors such as distance, availability of transportation, or available alternatives to childcare or eldercare will be considered.

### **II. No Additional Pay or Paid Time Off for Employees Who Must Work**

Employees who are required to work during their regular schedule on a day when their agency is closed (or when other employees are dismissed early) are not entitled to receive overtime pay, credit hours, or compensatory time off for performing work during their regularly scheduled non-overtime hours.

### **III. Failure to Report for Work**

An employee may not be charged leave on a day when City Offices for the City of David City is closed for the day. In unique situations, a Department Head may determine that circumstances justify excusing an emergency employee from duty, and he or she may be granted excused absence.

However, if an employee who is required to work fails to report for duty without adequate reason for his or her absence, the Department Head may choose to place the employee on absence without leave (AWOL), and the employee may potentially be disciplined for the AWOL at the Department Head's discretion. The Department Head will confer with the City Administrator to make the determination as to whether the employee has adequate reason for his or her absence.

#### **11.18 Professional Development**

The City of David City is committed to supporting employee professional development through job related or corporate related educational courses, conferences and seminars. Educational assistance for employee professional development is subject to budgetary limitations and in accordance with established procedures.

This policy supports employee pursuit of educational opportunities and professional development, for the purpose of enhancing current job performance, or improving opportunities for advancement within the City.

This policy applies to all permanent full-time employees of the City with the exception of employees on probation.

#### **Approved Professional Development Opportunities:**

##### **Job Related Courses**

Courses or training designed to develop skills, knowledge and effectiveness in employee's current position with the City of David City.

##### **Corporate Related Courses**

Courses or training designed to develop skills related to future goals with the City of David City. This will encompass courses taken while working towards degree, certification and diploma programs as identified during an annual performance appraisal with the City of David City. Programs under consideration will include those that benefit career fields within the municipality, and not those related to the employee's current position.

**[REIMBURSEMENT ? MILEAGE? TIME?]**

READ CAREFULLY BEFORE SIGNING

## **ACKNOWLEDGEMENT, AUTHORIZATION, AND RECEIPT**

I acknowledge receipt of the David City Personnel Manual. I understand that this Personnel Manual is not a contract.

I authorize deduction from my paycheck for any wages or benefits advanced to me, and for the cost of City property issued to me that I fail to return in good condition (normal wear and tear excepted) when asked to do so, and for any amounts owing to the City of David City upon the termination of my employment.

\_\_\_\_\_  
Sign your name here

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print your name here



(Attachment A)

**City of David City**  
**Catastrophic Illness Donation Request Form**  
*(To be completed by Requesting Employee)*

\_\_\_\_\_, an employee in \_\_\_\_\_,  
(Name) (Department)

has requested vacation leave/Personal Convenience Holiday donations under our Catastrophic Illness Program, and meets the conditions of our Catastrophic Illness Program per the attached medical documentation.

My signature hereto acknowledges that I agree to release, indemnify, and hold harmless, the City of David City from any claim I might have relating to the release of only my name to City Departments advising them that I am eligible for Catastrophic Illness Donations.

\_\_\_\_\_  
Employee Signature Date

Social Security Number:

APPROVED: \_\_\_\_\_  
Department Head Date

APPROVED: \_\_\_\_\_  
Personnel Director Date

Employee: Forward this request form **and** medical documentation from your physician to your department head.



(Attachment B)

**City of David City**  
**Catastrophic Illness Donation Form**  
*(To be completed by Donating Employee)*

To be eligible to donate vacation leave/Personal Leave:

1. Personal Convenience Holiday may be donated in only eight-hour increments.
2. Vacation may be donated in four-hour or eight-hour increments.
3. Must not have solicited nor accepted anything of value in exchange for the donation.
4. Must have remaining to his/her credit at least 40 hours of accrued vacation leave.

Name of employee you are contributing to: \_\_\_\_\_

Number of hours you are donating: \_\_\_\_\_  
Vacation Hours                      Personal Leave Hours

I understand my vacation leave/Personal Leave balance(s) will be decreased by the hours I am donating and that my vacation leave/Personal leave hours shall be irrevocably credited to the recipient's sick leave account.

\_\_\_\_\_  
Your Signature ( )                      Print name

Your Social Security Number: \_\_\_\_\_

Date: \_\_\_\_\_

(Attachment C)

**City of David City**  
**ANNUAL PERFORMANCE EVALUATION FORM**

Name: \_\_\_\_\_ Job Title: \_\_\_\_\_

Department: \_\_\_\_\_ Team: \_\_\_\_\_

Date of Hire: \_\_\_\_\_ Appraisal Date: \_\_\_\_\_

**Purpose and Instructions:**

**City of David City Mission Statement:**

To enhance the vibrant community of David City by providing a tremendous quality of life defined by outstanding educational and employment opportunities for all citizens through provisions of quality, cost effective governmental services that include infrastructure, utilities, affordable housing, physical environment, culture and recreation, public safety, land use planning, leadership and community participation.

Employees are an integral part of achieving this goal. The following items are the objectives for a conducting an annual performance appraisal.

1. This appraisal should provide feedback to employees on their contribution in support of our mission.
2. The appraisal will also provide employees with constructive comments regarding opportunities for improvement.
3. The appraisal will provide the employees with specific examples of their strengths or weaknesses.

**Ratings:**

**Superior** – Performance exceeded the requirements of the job in all major areas and identified goals. Significantly works above and beyond the responsibility of the job was achieved. Performance is the *exception* in the work group and consistently exceeds standards and requirements of successful performance.

**Stable Performer** – Performance met job requirements and identified goals in all important areas. Makes significant contributions, provides high quality services.

**Needs Improvement** – Performance was below job requirements and identified goals in one or more important areas and immediate improvement is required. Not meeting the standards and requirements for successful performance. Performance adversely affects others.

**Unsatisfactory** – Performance is significantly below job requirements and identified goals in several important areas. If this is the overall rating, then termination may be considered. Performance is unsatisfactory. Inability or unwillingness to improve.

**Not Applicable**—This factor does not apply based on the requirements of the position.

**Part I: Job related Skills and Knowledge**

**1. Customer Services**—Manages customer interactions in a polite and professional manner. Is proactive, goes “above and beyond” to provide excellent customer service.

- Superior (Requires Explanation)
- Stable Performer
- Needs Improvement
- Unsatisfactory (Requires Explanation)
- Not Applicable

Comments: \_\_\_\_\_

\_\_\_\_\_

**2. Job Knowledge**—Understands the information and responsibilities pertinent to the job and demonstrates necessary expertise and knowledge of equipment, tools, and technology. Continues to learn, expand knowledge and apply creativity to seek solutions.

- Superior (Requires Explanation)
- Stable Performer
- Needs Improvement
- Unsatisfactory (Requires Explanation)
- Not Applicable

Comments: \_\_\_\_\_

\_\_\_\_\_

**3. Organizational Skills and Productivity**—Plans and prioritizes work effectively. Coordinates, prepares, and presents projects well and follows through with assignments. Produces quality work and a satisfactory quantity of work. Delivers on time and within budget. Meets deadlines.

- Superior (Requires Explanation)
- Stable Performer
- Needs Improvement
- Unsatisfactory (Requires Explanation)
- Not Applicable

Comments: \_\_\_\_\_

\_\_\_\_\_

- 4. Communication Skills**—is effective in communicating with others, including co-workers, superiors, or the public, using both verbal and written skills necessary for the job. Listens well. Articulates well. Comprehends and understands information and explanations. Keeps others informed. Shares information.

Superior (Requires Explanation)  
 Stable Performer  
 Needs Improvement  
 Unsatisfactory (Requires Explanation)  
 Not Applicable

Comments: \_\_\_\_\_

\_\_\_\_\_

- 5. Interpersonal skills and professionalism**—Cooperates with peers, team leader, and immediate supervisor. Is a productive team member. Shows a high of professionalism in person, in email, on the telephone, in language, and in dress. Exhibits initiative and self-direction. Maintains a positive and respectful attitude. Shows enthusiasm about work. Accepts feedback well. Demonstrates loyalty and commitment.

Superior (Requires Explanation)  
 Stable Performer  
 Needs Improvement  
 Unsatisfactory (Requires Explanation)  
 Not Applicable

Comments: \_\_\_\_\_

\_\_\_\_\_

- 6. Reliability**—Dependable. Can be counted on to work as needed to achieve results and/or meet targets within established time frames. Employee complies with the Department's and City's policies on absence and lateness.

Superior (Requires Explanation)  
 Stable Performer  
 Needs Improvement  
 Unsatisfactory (Requires Explanation)  
 Not Applicable

Comments: \_\_\_\_\_

\_\_\_\_\_

- 7. Management and Leadership Skills**—Manages own area of responsibility without regularly intruding upon the scheduled time of other staff members. Understands the goals and needs of the department and its staff as a whole. Is counted a positive benefit to the staff by others on staff. Gains the respect and trust of fellow staff members. Employee’s work and behavior exhibits commitment to the Department’s mission, vision and goals. Cooperates and contributes to the overall wellbeing of the City of David City.

- Superior (Requires Explanation)
- Stable Performer
- Needs Improvement
- Unsatisfactory (Requires Explanation)
- Not Applicable

Comments: \_\_\_\_\_  
\_\_\_\_\_

- 8. Problem Solving and Decision Making**—Anticipates and identifies problems. Uses logic and sound judgment to solve problems and make decisions.

- Superior (Requires Explanation)
- Stable Performer
- Needs Improvement
- Unsatisfactory (Requires Explanation)
- Not Applicable

Comments: \_\_\_\_\_  
\_\_\_\_\_

- 9. Adaptability**—Employee is able to adjust to a variety of situations, maintains flexibility.

- Superior (Requires Explanation)
- Stable Performer
- Needs Improvement
- Unsatisfactory (Requires Explanation)
- Not Applicable

Comments: \_\_\_\_\_  
\_\_\_\_\_

**Part II: Overall Performance Rating**

	Outstanding	Stable Performer	Needs Improvement	Unsatisfactory	Not Applicable
Patron Services					
Job Knowledge					
Organizational Skills & Productivity					
Communication Skills					
Interpersonal Skills & Professionalism					
Reliability					
Management & Leadership Skills					
Problem Solving & Decision Making					
Adaptability					

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Totals:    \_\_\_ Outstanding    \_\_\_ Solid Performer    \_\_\_ Unsatisfactory    \_\_\_ Needs Improvement

**PART III: SUMMARY OF STRENGTHS, WEAKNESSES, ACCOMPLISHMENTS**

1. Strengths (strongest performance skills)
  
2. Weaknesses (areas where improvement is needed)
  
3. Accomplishments (comments on reaching annual goals)

**Supervisor's Recommendation:**

Employee Recommend for Step Increase

Employee Not Recommended for Step Increase

Justification for Deferral of Step Increase and Plan of Action:

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**PART IV: ACKNOWLEDGMENT AND SIGNATURES**

Employee:

I have read this review. \_\_\_\_\_ (initials)

This review has been discussed with me. \_\_\_\_\_ (initials)

I agree

I disagree

Employee's Comments (optional):

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Employee's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Supervisor's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Your next review is scheduled \_\_\_\_\_ months from date of this review.

**PART V : ANNUAL GOAL SETTING DOCUMENT**

Employee \_\_\_\_\_ Date \_\_\_\_\_

Individualized Strategic Plan Goals for the coming year:

Employee's comments:

Supervisor's comments:

\_\_\_\_\_  
Employee's Signature

\_\_\_\_\_  
Supervisor's Signature

\_\_\_\_\_  
City Administrator's Review



WHEREAS, there were no objections expressed concerning the request of Jason Chmelka.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, that the request of Jason Chmelka divide Lot 4 of Block 7, David City Land & Lot Company Addition, and combine it with Lot 1, D.C. Land & Lot Company Addition, Block 7, to form one lot 75' x 140', is hereby approved.

Passed and adopted this 28<sup>th</sup> day of May, 2014.

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Mayor Alan Zavodny

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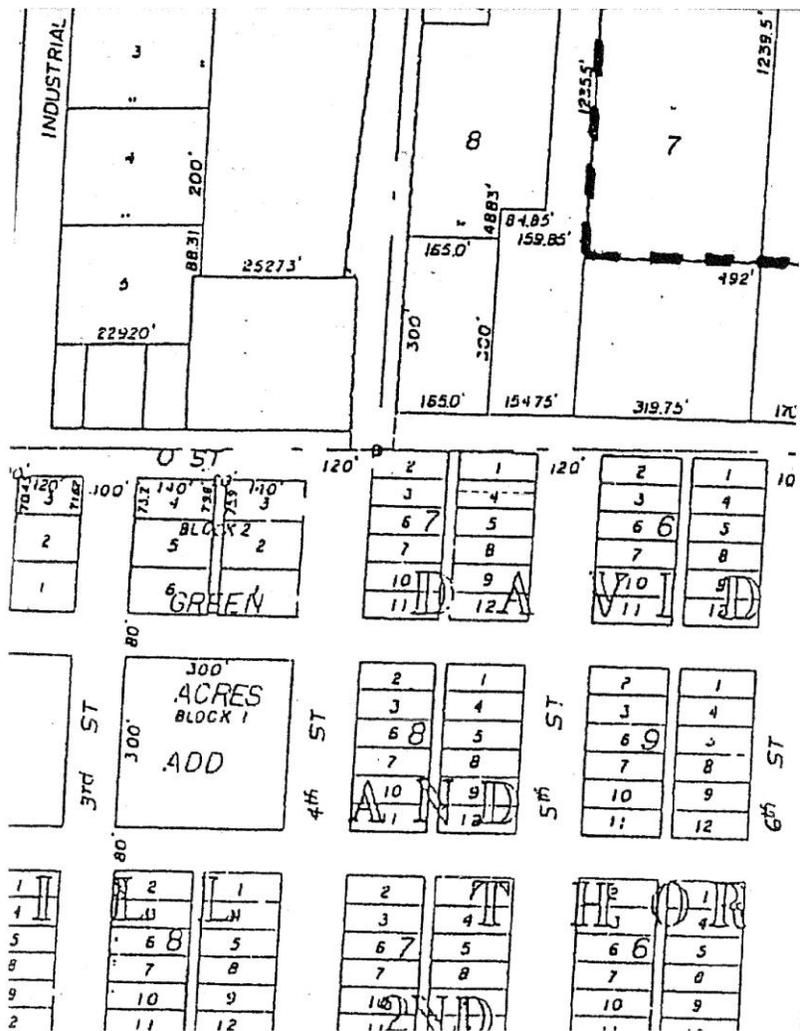
City Clerk Joan E. Kovar

It was noted that Resolution No. 11 – 2014 was typed incorrectly. Therefore, Council member Scribner made a motion to amend Resolution No. 11 – 2014 to read “Whereas, Don & Nancy Theewen, as the owners of Lot 5 and the South ½ of Lot 4, Block 7, David City Land & Lot Company Addition, has submitted a request to combine Lot 5 and the So. ½ of Lot 4, to form one lot 75' x 140' instead of ~~100' x 140'~~. Council member Smith seconded the motion. Voting AYE: Council members Vandenberg, Rogers, Kroesing, Smith, Svoboda, and Scribner. Voting NAY: None. The motion carried.

Council member Scribner made a motion to pass and approve Resolution No. 11 - 2014 as amended. Council member Smith seconded the motion. Voting AYE: Council members Svoboda, Kroesing, Vandenberg, Rogers, Smith, and Scribner. Voting NAY: None. The motion carried and Resolution No. 11 – 2014 was passed and approved as follows

**RESOLUTION NO. 11 – 2014**

WHEREAS, Don & Nancy Theewen, as the owner of Lot 5 & the South ½ of Lot 4, Block 7, David City Land & Lot Company Addition, have submitted a request to combine these lots to form one lot 75' x 140' as shown below:



WHEREAS, there were no objections expressed concerning the request of Don & Nancy Theewen.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DAVID CITY, NEBRASKA, that the request of Don & Nancy Theewen to combine Lot 5 with the South ½ of Lot 4, Block 7, David City Land & Lot Company Addition, to form one 75' x 140' lot, is hereby approved.

Passed and adopted this 28<sup>th</sup> day of May, 2014.

\_\_\_\_\_  
 Mayor Alan Zavodny

\_\_\_\_\_  
 City Clerk Joan E. Kovar

Council member Rogers made a motion to table consideration of creating the position of a Utility Superintendent, job description, and requirements. Council member Smith seconded the motion. Voting AYE: Council members Kroesing, Rogers, Vandenberg, Scribner, Svoboda, and Smith. Voting NAY: None. The motion carried.

Council member Smith made a motion to go into executive session to discuss a personnel issue. Council member Rogers seconded the motion. Voting AYE: Council members Vandenberg, Kroesing, Svoboda, Scribner, Rogers, and Smith. Voting NAY: None. The motion carried.

Mayor Zavodny stated: "At 7:07 p.m. we are going into executive session to discuss a personnel matter."

Mayor Zavodny, all of the Council members, City Administrator Cornett, and City Clerk Kovar went into executive session at 7:07 p.m.

Mayor Zavodny declared the City Council out of executive session at 8:00 p.m.

There being no further business to come before the Council, Council member Vandenberg made a motion to adjourn. Council member Rogers seconded the motion. Voting AYE: Council members Kroesing, Svoboda, Scribner, Smith, Rogers, and Vandenberg. Voting NAY: None. The motion carried and Mayor Zavodny declared the meeting adjourned at 8:02 p.m.



CERTIFICATION OF MINUTES  
May 28, 2014

I, Joan E. Kovar, duly qualified and acting City Clerk for the City of David City, Nebraska, do hereby certify with regard to all proceedings of May 28, 2014, that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and available for public inspection at the office of the City Clerk; that such subjects were contained in said agenda for at least twenty-four hours prior to said meeting; that the minutes of the meeting of the City Council of the City of David City, Nebraska, were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification concerning meetings of said body were provided with advance notification of the time and place of said meeting and the subjects to be discussed at said meeting.

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Joan E. Kovar, City Clerk