

**OAK RIDGE CITY COUNCIL
SPECIAL MEETING**

Municipal Building Courtroom

Tuesday, September 19, 2017

8:00 p.m.

AGENDA

- I. ROLL CALL
- II. FINAL ADOPTION OF ORDINANCES
 - a. AN ORDINANCE TO AMEND ORDINANCE NO. 27-85, TITLED "A PERSONNEL PLAN FOR EMPLOYEES OF THE CITY OF OAK RIDGE, TENNESSEE," AS AMENDED, BY DELETING SUBSECTION 6.2.B, TITLED "OVERTIME COMPENSATION," AND SUBSTITUTING THEREFOR A NEW SUBSECTION 6.2.B WITH THE SAME TITLE; BY DELETING SECTION 6.4, TITLED "STAND-BY PAY," AND SUBSTITUTING THEREFOR A NEW SECTION 6.4 WITH THE SAME TITLE; BY DELETING SECTION 6.6, TITLED "FIRE DEPARTMENT SUPPLEMENTAL PAY," WITHOUT REPLACEMENT; BY DELETING SECTION 6.7, TITLED "FIRE SPECIALISTS," WITHOUT REPLACEMENT; BY DELETING SUBSECTION 7.2.C, TITLED "RESIDENCY POLICY," AND SUBSTITUTING THEREFOR A NEW SUBSECTION 7.2.C WITH THE SAME TITLE; BY DELETING SUBSECTION 7.3.F, TITLED "TEMPORARY APPOINTMENT," AND SUBSTITUTING THEREFOR A NEW SUBSECTION 7.3.F WITH THE SAME TITLE; BY DELETING SECTION 10.3, TITLED "GRIEVANCE PROCEDURE," AND SUBSTITUTING THEREFOR A NEW SECTION 10.3 WITH THE SAME TITLE; AND BY DELETING SECTION 10.4, TITLED "ABANDONMENT OF GRIEVANCE," AND SUBSTITUTING THEREFOR A NEW SECTION 10.4 WITH THE SAME TITLE, FOR THE PURPOSE OF UPDATING THE PERSONNEL PLAN.
- III. RESOLUTIONS
 - a. INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED FOURTEEN MILLION, THREE HUNDRED TWENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$14,325,000) GENERAL OBLIGATION BONDS OF THE CITY OF OAK RIDGE, TENNESSEE.
- IV. ADJOURNMENT

CITY CLERK MEMORANDUM
17-25

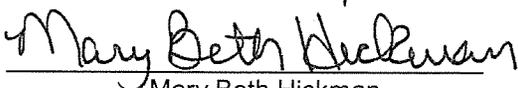
DATE: September 14, 2017
TO: Honorable Mayor and Members of City Council
FROM: Mary Beth Hickman, City Clerk
SUBJECT: SPECIAL MEETING OF CITY COUNCIL

At the request of City Manager Mark Watson, and in accordance with Article II, Section 2, of the Charter of the City of Oak Ridge, Tennessee, a special meeting of City Council is hereby called for **Tuesday, September 19, 2017 at 8:00 p.m.** in the Municipal Building Courtroom, 200 S. Tulane Avenue, for consideration of the following:

- AN ORDINANCE TO AMEND ORDINANCE NO. 27-85, TITLED "A PERSONNEL PLAN FOR EMPLOYEES OF THE CITY OF OAK RIDGE, TENNESSEE," AS AMENDED, BY DELETING SUBSECTION 6.2.B, TITLED "OVERTIME COMPENSATION," AND SUBSTITUTING THEREFOR A NEW SUBSECTION 6.2.B WITH THE SAME TITLE; BY DELETING SECTION 6.4, TITLED "STAND-BY PAY," AND SUBSTITUTING THEREFOR A NEW SECTION 6.4 WITH THE SAME TITLE; BY DELETING SECTION 6.6, TITLED "FIRE DEPARTMENT SUPPLEMENTAL PAY," WITHOUT REPLACEMENT; BY DELETING SECTION 6.7, TITLED "FIRE SPECIALISTS," WITHOUT REPLACEMENT; BY DELETING SUBSECTION 7.2.C, TITLED "RESIDENCY POLICY," AND SUBSTITUTING THEREFOR A NEW SUBSECTION 7.2.C WITH THE SAME TITLE; BY DELETING SUBSECTION 7.3.F, TITLED "TEMPORARY APPOINTMENT," AND SUBSTITUTING THEREFOR A NEW SUBSECTION 7.3.F WITH THE SAME TITLE; BY DELETING SECTION 10.3, TITLED "GRIEVANCE PROCEDURE," AND SUBSTITUTING THEREFOR A NEW SECTION 10.3 WITH THE SAME TITLE; AND BY DELETING SECTION 10.4, TITLED "ABANDONMENT OF GRIEVANCE," AND SUBSTITUTING THEREFOR A NEW SECTION 10.4 WITH THE SAME TITLE, FOR THE PURPOSE OF UPDATING THE PERSONNEL PLAN.

- INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED FOURTEEN MILLION, THREE HUNDRED TWENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$14,325,000) GENERAL OBLIGATION BONDS OF THE CITY OF OAK RIDGE, TENNESSEE.

In accordance with the City Charter, matters transacted at this special meeting shall be limited to the subjects recited in the notice of the meeting.



Mary Beth Hickman

cc: Mark S. Watson, City Manager
Kenneth R. Krushenski, City Attorney
Department Directors
The Oak Ridger
Oak Ridge Today
The Knoxville News Sentinel
BBB Communications

ADMINISTRATIVE MEMORANDUM
17-31

DATE: September 14, 2017

TO: Mary Beth Hickman, City Clerk

FROM: Mark S. Watson, City Manager

SUBJECT: SPECIAL CITY COUNCIL MEETING

In accordance with Article II, Section 2 of the Charter of the City of Oak Ridge, you are hereby requested to call a special meeting of the Oak Ridge City Council for Tuesday, September 19, 2017 at 8:00 p.m. in the Municipal Building Courtroom, 200 S. Tulane Avenue. This meeting will be limited to consideration of the following:

- AN ORDINANCE TO AMEND ORDINANCE NO. 27-85, TITLED "A PERSONNEL PLAN FOR EMPLOYEES OF THE CITY OF OAK RIDGE, TENNESSEE," AS AMENDED, BY DELETING SUBSECTION 6.2.B, TITLED "OVERTIME COMPENSATION," AND SUBSTITUTING THEREFOR A NEW SUBSECTION 6.2.B WITH THE SAME TITLE; BY DELETING SECTION 6.4, TITLED "STAND-BY PAY," AND SUBSTITUTING THEREFOR A NEW SECTION 6.4 WITH THE SAME TITLE; BY DELETING SECTION 6.6, TITLED "FIRE DEPARTMENT SUPPLEMENTAL PAY," WITHOUT REPLACEMENT; BY DELETING SECTION 6.7, TITLED "FIRE SPECIALISTS," WITHOUT REPLACEMENT; BY DELETING SUBSECTION 7.2.C, TITLED "RESIDENCY POLICY," AND SUBSTITUTING THEREFOR A NEW SUBSECTION 7.2.C WITH THE SAME TITLE; BY DELETING SUBSECTION 7.3.F, TITLED "TEMPORARY APPOINTMENT," AND SUBSTITUTING THEREFOR A NEW SUBSECTION 7.3.F WITH THE SAME TITLE; BY DELETING SECTION 10.3, TITLED "GRIEVANCE PROCEDURE AND SUBSTITUTING THEREFOR A NEW SECTION 10.3 WITH THE SAME TITLE; AND BY DELETING SECTION 10.4, TITLED "ABANDONMENT OF GRIEVANCE," AND SUBSTITUTING THEREFOR A NEW SECTION 10.4 WITH THE SAME TITLE, FOR THE PURPOSE OF UPDATING THE PERSONNEL PLAN.
- INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED FOURTEEN MILLION, THREE HUNDRED TWENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$14,325,000) GENERAL OBLIGATION BONDS OF THE CITY OF OAK RIDGE, TENNESSEE.


Mark S. Watson

PERSONNEL DEPARTMENT MEMORANDUM
17-113

DATE: August 24, 2017

TO: Mark S. Watson, City Manager

FROM: Bruce M. Applegate, Director of Administrative Services

SUBJECT: AMENDMENTS TO THE PERSONNEL PLAN/ORDINANCE ASSOCIATED WITH THE NEW CLASSIFICATION/COMPENSATION STUDY AS WELL AS HOUSEKEEPING AMENDMENTS

Introduction

An item for City Council's consideration is an ordinance to amend various provisions of the Personnel Plan Ordinance (Ordinance No. 27-85): Overtime Calculation (§6.2. B.), Stand-By Pay (§6.4), Fire Department Supplemental Pay (§6.6), Fire Specialists (§6.7), Employee Residency Policy (§7.2), Appointments (§7.3), and Grievance Procedure (§10.3 and §10.4).

Funding

No funding is necessary for this item.

Background

By Resolution 12-87-2016, the City entered into an agreement with McGrath Human Resources Group (McGrath) to perform a compensation analysis and review of the City's compensation plan structure and related policies. McGrath has completed their analysis and review, and has submitted a Classification Study and Compensation Executive Report to the City for review and acceptance. On August 30, 2017, McGrath met with the Personnel Advisory Board (PAB) to provide an overview of the report and to answer any questions. At this meeting, PAB reviewed the report and voted to amend Personnel Ordinances pursuant to the reports suggestions and forward those suggestions to City Council. In addition to meeting with PAB, McGrath held three meetings on August 31, 2017 with employees to present the report and answer any questions.

It is the City's intention to implement the report in a phased approach. Phase I will adopt a new classification and compensation plan which includes changing some job titles and establishing a step based approach to compensation. A companion resolution is presented with this ordinance to implement Phase I.

A bold strike-through of the proposed changes to the Personnel Plan/Ordinance is attached and includes basic housekeeping changes to several sections of the Personnel Plan/Ordinance as well as the Phase 1 changes required to initiate the 2017 McGrath Human Resources Group Classification and Compensation study. The complexity of the ordinance changes remaining to fully implement the McGrath Classification and Compensation Study will require additional review, and are expected to be implemented on a quarterly basis to ensure adequate time for review and employee outreach.

Analysis

A review of the Personnel Plan/Ordinance regarding Overtime Calculation (§6.2.B.), Stand-By Pay (§6.4), Fire Department Supplemental Pay (§6.6), Fire Specialists (§6.7), and Employee Residency Policy (§7.2) identified inconsistencies with minimum requirements of the Fair Labor Standard Act (FLSA), and inconsistencies with the newly proposed 2017 Classification and Compensation Plan. Changes to the Ordinance concerning Appointments (§7.3), and Grievance Procedure (§10.3 and §10.4) represent housekeeping changes to adjust language that has led to confusion or requires an update. Changes to the above Ordinance sections are elaborated on below:

6.2(b) Overtime Compensation

Section 6.2(b) was amended to address current overtime calculation rates and bring them into alignment with the standards set forth by the Fair Labor Standards Act (FLSA). This change amends the current Ordinance to:

- Exclude General Leave, Injury Leave, Leave Without Pay, Military Leave, Civil Leave of leave from being calculated as hours worked. This is in keeping with the requirements of the FLSA. Currently, the City includes those types of leave as hours worked which is over and above what the FLSA requires.
- Clarification of extenuating circumstances necessitating automatic overtime.
- Adjustment to the Police Department employee overtime period to comply with the FLSA 28 day (171 hour) work period language.
- Inclusion of compensatory time language, as compensatory time was only briefly mentioned in the ordinance before.
- Removal of Fire Specialist program from section.

6.4 Stand-By Pay

Section 6.4 was amended to remove reference to the Fire Specialist Program as adoption of the newly presented 2017 McGrath Classification and Compensation Plan will remove the Fire Specialist position.

6.6 Fire Department Supplemental Pay

Section 6.6 has been removed as adoption of the newly presented 2017 McGrath Classification and Compensation Plan will remove the pay supplements for Fire Department employees, and collapse those additional payments into their new base salary.

6.7 Fire Specialists

Section 6.7 was removed as adoption of the newly presented 2017 McGrath Classification and Compensation Plan will remove the position of Fire Specialist.

7.2.C Residency Policy

Section 7.2.C has been amended to incorporate the newly coded salary range for positions required to retain residency following promotion or hire.

7.3.f Appointments

Section 7.3.f was modified to reflect more accurately the intent of the section.

10.3 Grievance Procedure

Section 10.3 was amended to provide more clarity on the grievance process:

- Section 10.3.A has been amended to include the use of a coversheet for grievance submittal to assist employees with the provision of specified documentation necessary for filing a grievance.
- Section 10.3.B has been amended to enhance clarity on the material that is permitted for submission in a grievance to the City Manager.
- Section 10.3.C has been amended to enhance clarity on the material that is permitted for submission in a grievance to the Personnel Advisory Board, and to incorporate the Personnel Advisory Board's language regarding meeting timeliness. Additionally, language was added for the Board to provide specific information should the Board determine the procedures for a personnel action were not complied with by the City.

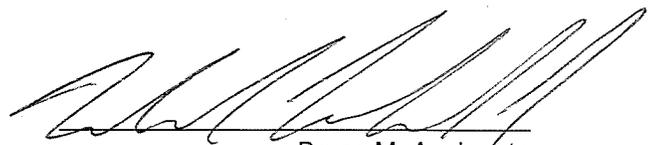
10.4 Abandonment of Grievance

Section 10.4 was amended to provide more clarity on what constitutes abandonment of a grievance and how abandoned grievances are treated by the City.

Recommendation

Approval of the proposed ordinance is recommended.

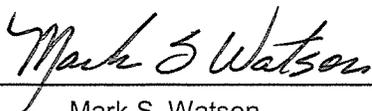
Attachments: Bold-Strikethrough of Proposed Ordinance Changes
Proposed Ordinance
Classification and Compensation Plan Schedule of Implementation



Bruce M. Applegate
Director of Administrative Services

City Manager's Comments:

I have reviewed the above issue and recommend Council action as outlined in this document.



Mark S. Watson

9-7-17

Date

**BOLD STRIKETHROUGH OF PROPOSED CHANGES
PERSONNEL PLAN ORDINANCE**

6.2. OVERTIME

- b. Overtime Compensation. When a non-exempt full-time employee is required by ~~a their~~ supervisor or another person in the employee's line of supervision to work in excess of the normal schedule in a work period, the employee is entitled to overtime compensation ~~shall be paid~~. Employees may not elect on their own to work in excess of their normal schedule in a work period. General leave, military leave, civil and holiday~~Holiday~~ leave ~~are will be considered~~ treated as hours worked in calculating overtime compensation. All other types of leave (ex. General, Emergency leave, and injury~~Injury, Leave Without Pay, Military, Civil, Administrative Emergency, etc.)~~ leave will not be considered as hours worked in calculating overtime compensation. In the event of an emergency as determined by the City Manager or the City Manager's designee, the City Manager or the City Manager's designee may include other types of leave as hours worked for the purposes of calculating overtime compensation. An emergency is defined as an unforeseen circumstance beyond the control of the City which presents a real, immediate, and material threat to the public interests or property of the City.

The formula for calculating the hourly rate is shown below:

$$\frac{(\text{Regular Pay Rate} + \text{Supplemental Pay}) \times \text{Regular Hours Worked} + \text{Stand-by Pay}}{\text{Regular Hours Worked}}$$

Overtime will be paid for any hours worked over the regularly scheduled hours in a defined ~~seven (7)~~twenty-eight (28) work day period after 171 hours for Police Department ~~patrol shift~~ employees and in a defined nine (9) day work period after 68 hours ~~during the nine (9) day work period~~ for Fire Department ~~station-based shift~~ employees meeting the requirements of Section 207(k) of the Fair Labor Standards Act (FLSA). All other employees must work forty (40) hours during a workweek prior to receiving overtime payments. The Police Department and Fire Department work day period schedule is adopted pursuant to Section 207(k) of the FLSA and 29 CFR Part 553.

All overtime compensation will be at the rate of one and one-half times the hourly rate. The City may offer an employee ~~or provisions made for~~ compensatory time off equivalent to one and one-half times the number of extra hours worked. It is the employee's decision whether to accept compensatory time off instead of overtime, however, that decision must be made at the time the offer of compensatory time is made. Said compensatory time may be accrued up to a maximum of forty (40) hours.

Exempt employees are not eligible for overtime compensation ~~except as provided in the Fire Specialist program.~~

6.4. STAND-BY PAY

~~Except for the Fire Specialist program participants, n~~Non-exempt employees who are required to be immediately available to answer emergency service requests, shall be assigned on stand-by for one defined seven (7) day period and shall be entitled to eight (8) hours pay at the base rate in the salary schedule. Stand-by time of less than seven days shall be credited on a proportionate basis. Employees who are on stand-by and fail to response to a call shall forfeit the above allowance and shall be subject to disciplinary action.

In unusual circumstances, the City Manager may require that employees shall remain available to

be called in without compensation for the stand-by status.

6.6 ~~FIRE DEPARTMENT SUPPLEMENTAL PAY~~

~~Those Fire Department station-based shift employees from Firefighter Trainee to Battalion Chief who have certain certifications that are not a normal requirement of the job will receive supplemental pay as indicated on the official salary schedule. This supplemental pay will be included in overtime calculations.~~

6.7 ~~FIRE SPECIALISTS~~

~~Rules governing the duties, stand-by/call-out procedures, the rate of stand-by compensation and overtime calculations for Fire Specialists are established by the City Manager. The rate of pay for the uncertified, non-Fire Department Specialist will be the midpoint of the Fire Fighter Trainee position. The rate of pay for the certified non-Fire Department Specialist will be the midpoint of the Firefighter/Engineer position. The rate of pay for the Fire Department employee who is also a Fire Specialist will be the same as the hourly rate in the regular position. The call-out provisions described in Section 6.5 shall be applicable to the Fire Specialists, except the minimum compensation shall be for one (1) hour.~~

7.2 SELECTION POLICY

7.2.C. RESIDENCY POLICY

Individuals appointed or promoted into positions in salary range ~~66 U~~ and above after ~~the effective date of the ordinance amendment October 8, 2017~~ shall be required to establish their legal, actual, and practical residence within the corporate limits of the City of Oak Ridge within twelve (12) months of appointment or promotion. Legal, actual, and practical residence means to physically reside in the City on a day-to-day basis. Employees in positions in salary range U and above on or before October 8, 2017 ~~Employees, who are not residents of the City at the time of promotion to positions in salary range 66 and above after the effective date of the ordinance amendment,~~ shall not be required to establish legal, actual and practical residence within the corporate limits of the City of Oak Ridge until such time as they change their place of residence.

7.3 APPOINTMENTS

- f. Temporary appointment indicates that the employee is to work for the City in a position such as Library Page, Lifeguard, Recreation Leader, ~~School Crossing Guard,~~ Administrative Intern, Security Guard, etc. These ~~positions are normally filled by students and the incumbents~~ individuals normally work not more than twenty (20) hours per week. In the event that an individual works a continuous period of over three (3) years (seventy-eight (78) consecutive full pay periods) in a temporary appointment, that appointment shall be changed to regular part-time.

10.3 GRIEVANCE PROCEDURE

An employee is encouraged, but not required, to attempt to resolve any grievance informally with his or her immediate supervisor prior to filling a written grievance.

A. Unresolved Grievances to be Brought to the Department Head; Timely Appeals

If informal discussion does not resolve the matter, the affected employee must file a written grievance to the employee's Department Head within thirty (30) calendar days of the cause of the grievance. The grievance must be signed by the employee. The grievance must include a completed cover sheet provided to the employee by the City which contains the following information:

1. A clear, concise, and factual statement of the specific wrongful act or harm done;
2. A statement of the specific remedy sought; and
3. A citation of any policies, rules, regulations, or ordinance, the violation of which constitutes the basis of the grievance.

Failure of an employee to comply with the above requirements is a failure of the employee to follow the grievance procedure and is an abandonment of the grievance.

The Department Head or the Department Head's designee has the option of scheduling a meeting with the affected employee to discuss the grievance, or may render a written decision on the grievance and provide the affected employee with a copy of the decision within seven (7) business days of receipt of the grievance. Failure of a Department Head or the Department Head's designee to make and communicate a decision within the specified timeframe shall constitute a denial of the grievance and the relief sought and shall permit the grievance to be appealed to the City Manager.

B. Unresolved Grievances to be Brought to the City Manager; Timely Appeals

If an employee's grievance is not resolved at the Department Head level, the affected employee may appeal the grievance to the City Manager by forwarding to the City Manager the original grievance filed with the Department Head along with the Department Head's/designee's response, if any. No additional information may be submitted as part of the appeal nor will additional information be considered. This appeal must be filed in writing with the City Manager within ten (10) business days of the Department Head's or designee's decision to the employee's grievance (or within ten (10) business days of when the Department Head's/designee's decision was due to the employee) and must be signed by the employee. The City Manager or the City Manager's designee has the option of scheduling a meeting with the affected employee to discuss the grievance, or may render a written decision on the grievance and provide the affected employee with a copy of the decision within ten (10) business days or receipt of the appeal.

If the City Manager's designee is the Department Head of the aggrieved employee, a mutual timeframe will be established for a response from the City Manager on the grievance.

The City Manager's/designee's decision is final for all grievances except suspensions, dismissals, or otherwise adversely affected by a personnel action which may be appealed to the Personnel Advisory Board.

C. Unresolved Grievances Involving Suspensions, Dismissals, or Perceived Adverse Personnel Actions to be Brought to Personnel Advisory Board

If an employee's grievance is not resolved at the City Manager level and said grievance involves a suspension, dismissal, or the employee is otherwise adversely affected by a

personnel action, the employee may appeal the grievance to the Personnel Advisory Board forwarding to the Director of Administrative Services the original grievance filed with the Department Head along with the Department Head's/designee's response and the City Manager's/designee's response, if any. No additional information may be submitted as part of the appeal nor will additional information be considered. This appeal must be filed in writing with the Personnel Director (as liaison to the board) within ten (10) business days of the City Manager's/designee's decision. The Personnel Advisory Board will meet at a time convenient to the board members as expeditiously as possible in order to hear the employee's grievance.

By City Charter Article V, Section 25, if in the opinion of the board, the procedures established for such personnel action were not complied with, the board shall make decisions that shall be binding on the City citing with specificity how the procedures were not complied with by the City. In all other cases, the board shall report its findings and recommendations, which shall be advisory in nature, in writing to the City Manager, and the decision of the City Manager shall be final.

10.4 ABANDONMENT OF GRIEVANCE

~~An employee's failure to file a grievance within the time specified in this article constitutes as abandonment of the grievance by the employee. The employee's failure to appeal the decision of the Department Head to the City Manager within the time specified in this article shall constitute an abandonment of the grievance by the employee. A grievance may also be terminated at any time by the employee upon receipt of a signed statement from the employee requesting such termination.~~

The following actions and inactions constitute an abandonment of an employee's grievance: (1) not filing the grievance within the time specified in this article; (2) filing a grievance that does not conform to the requirements set forth in this article; (3) not appealing the Department Head and/or City Manager's decision within the time specified in this article; and (4) submitting a signed statement to the City requesting termination of a filed grievance. For procedural purposes, an abandonment of a grievance will be treated is as if the grievance was never filed.

Notes: All references to Personnel Director throughout the Personnel Ordinance/Plan will be changed to Director of Administrative Services.

The changes in the new pay plan associated with employee job titles will all be considered as lateral changes and not promotions or demotions under the Personnel Ordinance/Plan.

CLASSIFICATION AND COMPENSATION PLAN PHASED IMPLEMENTATION STRATEGY

By Resolution 12-87-2016, the City entered into an agreement with McGrath Human Resources Group (McGrath) to perform a compensation analysis and review of the City's compensation plan structure and related policies. McGrath has completed their analysis and review, and has submitted a Classification Study and Compensation Executive Report to the City for review and acceptance.

City staff recognize the complexity of implementation, apprehensions of staff, and City Council's concern that employees are provided adequate notice and input in this process. A phased approach will be utilized to ensure that notice is provided to employees in advance of significant changes, and input sessions occur to collect input from staff and create a feedback process throughout the plans implementation.

Adoption of the Position Classification Plan, and Pay Grade Schedule on September 11, 2017 will trigger an appeal period for employees who feel their position has been incorrectly placed on the Classification Plan/Pay Scale. Employees have, and will continue to be encouraged to participate in this process to ensure any errors in placement are addressed.

All placements onto the new Position Classification Plan and Pay Grade Schedule will be viewed by the City as lateral placement, and will not be considered a promotion or demotion.

The following schedule is the proposed phased approach to the suggestions put forth by McGrath Human Resources Group, and is subject to change.

Phase 1 (October 8, 2017)

1. Acceptance of McGrath Human Resources Group September 2017 Classification and Compensation Study, and implementation of both the recommended Pay Grade Schedule, and Position Classification Schedule.
2. Position title's adjustment to comply with position recommendations and the lateral placement of employees into the corresponding new position
3. FLSA compliance changes
 - General and other forms of leave(excluding holiday leave) will not count towards overtime accumulation.
 - Police Department 28-day cycle will comply with the 207(k) exemption.
4. Removal of supplemental pay ordinances and Fire Department Specialist program ordinance
 - Adjustment of base rate for Fire Department positions will incorporate supplemental pays, and will render the sections unnecessary.

Phase 2 (December 31,2017)

1. Stand-By Pay
 - Review and make determination on Stand-By pay calculation
2. Complete job description revisions
 - Review and revise existing positions descriptions, finalize position descriptions for newly created positions. Process will include Department Director review.
3. Fire Department pay period change from 9-day cycle to 27-day cycle

Phase 3 (April 8, 2017) or Phase 4(July 1, 2018)

1. Longevity
 - Review options, solicit staff input, and select replacement plan for employees currently receiving longevity.
2. General Leave and Emergency Leave
 - Review options, solicit staff input, select replacement plan, and set provisions for grandfathered employees.
3. Holiday time review for 27 and 28-day cycle employees
 - Review and select alternative to currently incorporated holiday time built into general leave accruals of 207(k) employees.
4. Dental/Vision Insurance review
 - Review alternatives to current City provided Dental and Vision insurance options.

Future Phases

1. Review and implementation of Year 2 Fire Department Pay Grade Schedule.
2. Review and implementation of Year 3 Fire Department Pay Grade Schedule.

TITLE

AN ORDINANCE TO AMEND ORDINANCE NO. 27-85, TITLED "A PERSONNEL PLAN FOR EMPLOYEES OF THE CITY OF OAK RIDGE, TENNESSEE," AS AMENDED, BY DELETING SUBSECTION 6.2.B, TITLED "OVERTIME COMPENSATION," AND SUBSTITUTING THEREFOR A NEW SUBSECTION 6.2.B WITH THE SAME TITLE; BY DELETING SECTION 6.4, TITLED "STAND-BY PAY," AND SUBSTITUTING THEREFOR A NEW SECTION 6.4 WITH THE SAME TITLE; BY DELETING SECTION 6.6, TITLED "FIRE DEPARTMENT SUPPLEMENTAL PAY," WITHOUT REPLACEMENT; BY DELETING SECTION 6.7, TITLED "FIRE SPECIALISTS," WITHOUT REPLACEMENT; BY DELETING SUBSECTION 7.2.C, TITLED "RESIDENCY POLICY," AND SUBSTITUTING THEREFOR A NEW SUBSECTION 7.2.C WITH THE SAME TITLE; BY DELETING SUBSECTION 7.3.F, TITLED "TEMPORARY APPOINTMENT," AND SUBSTITUTING THEREFOR A NEW SUBSECTION 7.3.F WITH THE SAME TITLE; BY DELETING SECTION 10.3, TITLED "GRIEVANCE PROCEDURE," AND SUBSTITUTING THEREFOR A NEW SECTION 10.3 WITH THE SAME TITLE; AND BY DELETING SECTION 10.4, TITLED "ABANDONMENT OF GRIEVANCE," AND SUBSTITUTING THEREFOR A NEW SECTION 10.4 WITH THE SAME TITLE, FOR THE PURPOSE OF UPDATING THE PERSONNEL PLAN.

WHEREAS, by Resolution 12-87-2016, the City entered into an agreement with McGrath Human Resources Group to perform a compensation analysis and review of the City's compensation plan structure and related policies; and

WHEREAS, the analysis and review conducted by McGrath Human Resources Group is complete; and

WHEREAS, the City intends a phased approach to implement the recommendations; and

WHEREAS, the initial adoption of the recommendations (Phase I) requires modifications to the existing Personnel Plan regarding overtime, standby, fire department supplemental pay, fire specialists, and residency; and

WHEREAS, City Staff has identified important housekeeping revisions pertaining to appointments and the grievance procedure to adopt at this time as well; and

WHEREAS, the Personnel Advisory Board at its August 30, 2017 meeting accepted the report from McGrath Human Resources Group and recommended the proposed amendments to the Personnel Plan for Council's approval; and

WHEREAS, the City Manager recommends that the Personnel Plan be amended as set forth below.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE:

Section 1. Ordinance No. 27-85, titled "A Personnel Plan for Employees of the City of Oak Ridge, Tennessee," Article 6, titled "Hours of Work, Overtime and Premium Compensation," Section 6.2, titled "Overtime," is hereby amended by deleting Subsection 6.2.b, titled "Overtime Compensation," in its entirety, and substituting therefor a new Subsection 6.2.b, titled "Overtime Compensation," which new subsection shall read as follows:

6.2 OVERTIME

b. Overtime Compensation. When a non-exempt full-time employee is required by their

supervisor or another person in the employee's line of supervision to work in excess of the normal schedule in a work period, the employee is entitled to overtime compensation. Employees may not elect on their own to work in excess of their normal schedule in a work period. Holiday leave will be considered as hours worked in calculating overtime compensation. All other types of leave (ex. General, Emergency, Injury, Leave Without Pay, Military, Civil, Administrative Emergency, etc.) will not be considered as hours worked in calculating overtime compensation. In the event of an emergency as determined by the City Manager or the City Manager's designee, the City Manager or the City Manager's designee may include other types of leave as hours worked for the purposes of calculating overtime compensation. An emergency is defined as an unforeseen circumstance beyond the control of the City which presents a real, immediate, and material threat to the public interests or property of the City.

The formula for calculating the hourly rate is shown below:

$$\frac{(\text{Regular Pay Rate} + \text{Supplemental Pay}) \times \text{Regular Hours Worked} + \text{Stand-by Pay}}{\text{Regular Hours Worked}}$$

Overtime will be paid for any hours worked over the regularly scheduled hours in a defined twenty-eight (28) work day period after 171 hours for Police Department employees and in a defined nine (9) day work period after 68 hours for Fire Department employees meeting the requirements of Section 207(k) of the Fair Labor Standards Act (FLSA). All other employees must work forty (40) hours during a workweek prior to receiving overtime payments. The Police Department and Fire Department work day period schedule is adopted pursuant to Section 207(k) of the FLSA and 29 CFR Part 553.

All overtime compensation will be at the rate of one and one-half times the hourly rate. The City may offer an employee compensatory time off equivalent to one and one-half times the number of extra hours worked. It is the employee's decision whether to accept compensatory time off instead of overtime, however, that decision must be made at the time the offer of compensatory time is made. Said compensatory time may be accrued up to a maximum of forty (40) hours.

Exempt employees are not eligible for overtime compensation.

Section 2. Ordinance No. 27-85, titled "A Personnel Plan for Employees of the City of Oak Ridge, Tennessee," Article 6, titled "Hours of Work, Overtime and Premium Compensation," is hereby amended by deleting Section 6.4, titled "Stand-by Pay," in its entirety and substituting therefor a new Section 6.4, titled "Stand-by Pay," which new section shall read as follows:

6.4. STAND-BY PAY

Non-exempt employees who are required to be immediately available to answer emergency service requests, shall be assigned on stand-by for one defined seven (7) day period and shall be entitled to eight (8) hours pay at the base rate in the salary schedule. Stand-by time of less than seven days shall be credited on a proportionate basis. Employees who are on stand-by and fail to response to a call shall forfeit the above allowance and shall be subject to disciplinary action.

In unusual circumstances, the City Manager may require that employees shall remain available to be called in without compensation for the stand-by status.

Section 3. Ordinance No. 27-85, titled "A Personnel Plan for Employees of the City of Oak Ridge, Tennessee," Article 6, titled "Hours of Work, Overtime and Premium Compensation," is hereby amended by deleting Section 6.6, titled "Fire Department Supplemental Pay," in its entirety without replacement.

Section 4. Ordinance No. 27-85, titled "A Personnel Plan for Employees of the City of Oak Ridge, Tennessee," Article 6, titled "Hours of Work, Overtime and Premium Compensation," is hereby amended by deleting Section 6.7, titled "Fire Specialists," in its entirety without replacement.

Section 5. Ordinance No. 27-85, titled "A Personnel Plan for Employees of the City of Oak Ridge, Tennessee," Article 7, titled "Recruitment, Selection and Appointment of Employees," Section 7.2, titled "Selection Policy," is hereby amended by deleting Subsection 7.2.C., titled "Residency Policy," in its entirety, and substituting therefor a new Subsection 7.2.C., titled "Residency Policy," which new subsection shall read as follows:

7.2 SELECTION POLICY

7.2.C. RESIDENCY POLICY

Individuals appointed or promoted into positions in salary range U and above after October 8, 2017 shall be required to establish their legal, actual, and practical residence within the corporate limits of the City of Oak Ridge within twelve (12) months of appointment or promotion. Legal, actual, and practical residence means to physically reside in the City on a day-to-day basis. Employees in positions in salary range U and above on or before October 8, 2017, shall not be required to establish legal, actual and practical residence within the corporate limits of the City of Oak Ridge until such time as they change their place of residence.

Section 6. Ordinance No. 27-85, titled "A Personnel Plan for Employees of the City of Oak Ridge, Tennessee," Article 7, titled "Recruitment, Selection and Appointment of Employees," Section 7.3, titled "Appointments," is hereby amended by deleting Subsection 7.3.f., titled "Temporary Appointment," in its entirety, and substituting therefor a new Subsection 7.3.f., titled "Temporary Appointment," which new subsection shall read as follows:

7.3 APPOINTMENTS

- f. Temporary appointment indicates that the employee is to work for the City in a position such as Library Page, Lifeguard, Recreation Leader, Administrative Intern, Security Guard, etc. These individuals normally work not more than twenty (20) hours per week. In the event that an individual works a continuous period of over three (3) years (seventy-eight (78) consecutive full pay periods) in a temporary appointment, that appointment shall be changed to regular part-time.

Section 7. Ordinance No. 27-85, titled "A Personnel Plan for Employees of the City of Oak Ridge, Tennessee," Article 10, titled "Grievance Procedure," is hereby amended by deleting Section 10.3, titled "Grievance Procedure," in its entirety, and substituting therefor a new Section 10.3, titled "Grievance Procedure," which new section shall read as follows:

10.3 GRIEVANCE PROCEDURE

An employee is encouraged, but not required, to attempt to resolve any grievance informally with his or her immediate supervisor prior to filling a written grievance.

A. Unresolved Grievances to be brought to the Department Head; Timely Appeals

If informal discussion does not resolve the matter, the affected employee must file a written grievance to the employee's Department Head within thirty (30) calendar days of the cause of the grievance. The grievance must be signed by the employee. The grievance must include a completed cover sheet provided to the employee by the City which contains the following information:

1. A clear, concise, and factual statement of the specific wrongful act or harm done;
2. A statement of the specific remedy sought; and
3. A citation of any policies, rules, regulations, or ordinance, the violation of which constitutes the basis of the grievance.

Failure of an employee to comply with the above requirements is a failure of the employee to follow the grievance procedure and is an abandonment of the grievance.

The Department Head or the Department Head's designee has the option of scheduling a meeting with the affected employee to discuss the grievance, or may render a written decision on the grievance and provide the affected employee with a copy of the decision within seven (7) business days of receipt of the grievance. Failure of a Department Head or the Department Head's designee to make and communicate a decision within the specified timeframe shall constitute a denial of the grievance and the relief sought and shall permit the grievance to be appealed to the City Manager.

B. Unresolved Grievances to be brought to the City Manager; Timely Appeals

If an employee's grievance is not resolved at the Department Head level, the affected employee may appeal the grievance to the City Manager by forwarding to the City Manager the original grievance filed with the Department Head along with the Department Head's/designee's response, if any. No additional information may be submitted as part of the appeal nor will additional information be considered. This appeal must be filed in writing with the City Manager within ten (10) business days of the Department Head's or designee's decision to the employee's grievance (or within ten (10) business days of when the Department Head's/designee's decision was due to the employee) and must be signed by the employee. The City Manager or the City Manager's designee has the option of scheduling a meeting with the affected employee to discuss the grievance, or may render a written decision on the grievance and provide the affected employee with a copy of the decision within ten (10) business days or receipt of the appeal.

If the City Manager's designee is the Department Head of the aggrieved employee, a mutual timeframe will be established for a response from the City Manager on the grievance.

The City Manager's/designee's decision is final for all grievances except suspensions, dismissals, or otherwise adversely affected by a personnel action which may be appealed to the Personnel Advisory Board.

C. Unresolved Grievances Involving Suspensions, Dismissals, or Perceived Adverse Personnel Actions to be brought to Personnel Advisory Board

If an employee's grievance is not resolved at the City Manager level and said grievance involves a suspension, dismissal, or the employee is otherwise adversely affected by a personnel action, the employee may appeal the grievance to the Personnel Advisory Board forwarding to the Director of Administrative Services the original grievance filed with the Department Head along with the Department Head's/designee's response and the City

Manager's/designee's response, if any. No additional information may be submitted as part of the appeal nor will additional information be considered. This appeal must be filed in writing within ten (10) business days of the City Manager's/designee's decision. The Personnel Advisory Board will meet as expeditiously as possible in order to hear the employee's grievance.

By City Charter Article V, Section 25, if in the opinion of the board, the procedures established for such personnel action were not complied with, the board shall make decisions that shall be binding on the City citing with specificity how the procedures were not complied with by the City. In all other cases, the board shall report its findings and recommendations, which shall be advisory in nature, in writing to the City Manager, and the decision of the City Manager shall be final.

Section 8. Ordinance No. 27-85, titled "A Personnel Plan for Employees of the City of Oak Ridge, Tennessee," Article 10, titled "Grievance Procedure," is hereby amended by deleting Section 10.4, titled "Abandonment of Grievance," in its entirety, and substituting therefor a new Section 10.4, titled "Abandonment of Grievance," which new section shall read as follows:

10.4 ABANDONMENT OF GRIEVANCE

The following actions and inactions constitute an abandonment of an employee's grievance: (1) not filing the grievance within the time specified in this article; (2) filing a grievance that does not conform to the requirements set forth in this article; (3) not appealing the Department Head and/or City Manager's decision within the time specified in this article; and (4) submitting a signed statement to the City requesting termination of a filed grievance. For procedural purposes, an abandonment of a grievance will be treated as if the grievance was never filed.

Section 10. Ordinance No. 27-85, titled "A Personnel Plan for Employees of the City of Oak Ridge, Tennessee," is hereby amended to replace all references to the title "Personnel Director" with the title "Director of Administrative Services."

Section 11. The City Council approved changes in job titles, classifications, and compensation levels as recommended by McGrath Human Resources Group and approved by resolution of Council shall not be considered as promotions or demotions but as lateral transfers under the Personnel Plan/Ordinance.

Section 12. This ordinance shall become effective ten (10) days after adoption on second reading, the welfare of the City of Oak Ridge requiring it.

APPROVED AS TO FORM AND LEGALITY:



Kenneth R. Krushenski, City Attorney

Warren L. Gooch, Mayor

Mary Beth Hickman, City Clerk

First Reading: 9/11/2017
Publication Date: 9/14/2017
Second Reading: _____
Publication Date: _____
Effective Date: _____

FINANCE DEPARTMENT MEMORANDUM

17-17

DATE: September 15, 2017
TO: Mark S. Watson, City Manager
FROM: Janice E. McGinnis, Finance Director
SUBJECT: INITIAL DEBT RESOLUTION

Introduction

An item for City Council's consideration is the adoption of an initial debt resolution for the issuance of not to exceed \$14,325,000 in General Obligation Bonds. The publication of the adopted initial resolution in the newspaper will start the 20-day period in which at least 10% of the registered voters in Oak Ridge may petition for a referendum on the issuance of this debt. The City is also reviewing refunding opportunities for the Series 2009 Bonds. The amount of the refunding debt is not included in the initial resolution since it is not considered new debt by the City, but rather as a refunding of existing debt.

Analysis

The estimated amount of the debt components included in the initial resolution are as outlined below. The Bond Resolution for the issuance of this debt will come before City Council for adoption at the October 9, 2017 City Council meeting. During this time, staff will be reviewing the size of the each debt component and the structure of the debt.

ESCO Projects - \$5,865,000 – The ESCO projects to be completed in this phase total \$8,788,149, comprised of \$6,171,768 in School projects and \$2,616,381 in City projects. \$3,000,000 of the School projects will be funded by a 12-year Energy Efficient School Initiative loan with anticipated annual principal and interest payments of \$265,404. The remaining \$5,865,000 to fund these projects will be included in this debt issuance, currently at a 15-year amortization. The annual debt service on the bonds and EESI loan is estimated at \$735,000 during the 12 year overlapping of the loans. Funding will be provided by projected utility savings of \$399,951, of which \$272,228 is scheduled to be provided to the City by the Oak Ridge Schools. The remaining debt service amount, estimated to range from \$335,000 for the first 12-years of the debt, down to \$70,000 for the last 3 years of the debt, will be funded by the General Fund.

Software - \$4,055,000 – At the August 14, 2017 City Council meeting, City Council approved \$4,026,530 for the purchase, installation, implementation, training, conversion, project management and maintenance services of Financial Management, Utility Billing and Enterprise Management Software. At this time, the major components of this item will be owned by the City's Electric Fund. The debt will be carried by the Electric Fund and the other users of the software, e.g. General Fund, Waterworks Fund, will pay annual payments to the Electric Fund for their share of the debt service for usage of the software. Annual principal and interest payments are currently approximated at \$445,000 for 10 years.

Radio System Replacement - \$3,405,000 - This is for the replacement/upgrade of the City's radio system which is used primarily by the City's police and fire departments. The system is also used by other City and School departments. This includes construction of a 150-foot tower, repeaters, microwave link from Louisiana Avenue to Windrock Mountain and system compliant radios and related equipment. The amount of the debt required for this system has been reduced by the utilization of approximately \$840,000 in grant proceeds. Annual principal and interest payments are currently approximated at \$370,000 for 10 years. The City's Emergency Communications Fund will fund at least \$151,000 of the annual debt service payment, the remainder will be provided by the General and other City Funds.

Preschool/Senior Center - \$1,000,000 – This debt is primarily for the design and engineering costs for the Preschool and the Senior Center. Any amounts not utilized for these services will be used for site work and other related work for the construction of these two facilities. Debt service funding will be provided by the City's General Fund. Debt amortization options are still under review at this time. The debt issuance for the construction of these two facilities is anticipated to occur during calendar 2018.

Recommendation

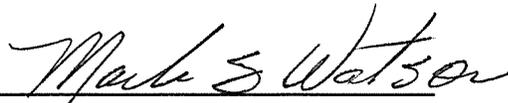
Staff recommends adoption of attached Initial Bond Issuance Resolution. Estimated debt amortization projections will be provided for the October 9th City Council meeting when the Bond Resolution will be submitted for City Council's approval. The Bonds are anticipated to be sold at competitive public sale during October.

Attachment(s)
Initial Bond Issuance Resolution


Janice E. McGinnis

City Manager's Comments:

I have reviewed the above issue and recommend Council action as outlined in this document.


Mark S. Watson

9-15-17
Date

RESOLUTION

INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED FOURTEEN MILLION THREE HUNDRED TWENTY-FIVE THOUSAND AND NO/100 DOLLARS (\$14,325,000) GENERAL OBLIGATION BONDS OF THE CITY OF OAK RIDGE, TENNESSEE

BE IT RESOLVED by the City of Oak Ridge, Tennessee (the "Municipality") that for the purpose of financing, in whole or in part, the cost of (i) the acquisition, design and construction of school facilities for use as a pre-kindergarten and a new public building to be used as a senior center, (ii) improvements to public buildings, including administrative buildings, schools, fire stations and maintenance buildings, to improve energy efficiency, (iii) public safety and communications equipment, including a radio system, to be used for police and fire protection and administrative purposes, (iv) the construction and improvement of recreation facilities, (v) the acquisition of software to be used in the administration of public works facilities, including financial and utility billing software, and (vi) all legal, fiscal, administrative, architectural and engineering costs incident to, there shall be issued bonds, in one or more emissions of the Municipality, in the aggregate principal amount of not to exceed \$14,325,000, which bonds shall bear interest at a rate or rates not to exceed six percent (6.00%) per annum. The bonds shall be payable from ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality.

BE IT FURTHER RESOLVED that the City Clerk be, and is, hereby directed and instructed to cause the foregoing initial resolution relative to the issuance of not to exceed \$14,325,000 general obligation bonds to be published in full in a newspaper having a general circulation in the Municipality, for one issue of said paper followed by the statutory notice:

NOTICE

The foregoing resolution has been adopted. Unless within twenty (20) days from the date of publication hereof a petition signed by at least ten percent (10%) of the registered voters of the Municipality shall have been filed with the City Clerk of the Municipality protesting the issuance of the bonds, such bonds will be issued as proposed.

Beth Hickman, City Clerk

Adopted and approved this ____ day of _____, 2017.

APPROVED AS TO FORM
AND LEGALITY:



Kenneth R. Krushenski, City Attorney

Warren L. Gooch, Mayor

Beth Hickman, City Clerk

STATE OF TENNESSEE)

COUNTY OF ANDERSON)

I, Beth Hickman, hereby certify that I am the duly qualified and acting City Clerk of the City of Oak Ridge, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of a regular meeting of the Governing Body of that municipality held on _____, 2017; that these minutes were promptly and fully recorded and are open to public inspection; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to a resolution authorizing the issuance of General Obligation Bonds, Series 2017 of the City.

WITNESS my official signature and the seal of the City, this _____ day of _____, 2017.

City Clerk

(SEAL)

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